THE FINANCIAL POST

The Canadian Newspaper for Businessmen and Investors

Largest Circulation of All Canadian Financial Papers

Be Sure to Read

Post's New Opinion Poll 3
Blueprint, Housing Needs 20
How Ceiling Helps Bonds 13
Our Golds on Rand Basis 19

Vol. XXXV | Member of Audit Bureau of Circulations | PUBLICATION OFFICE: TORONTO, NOVEMBER 8, 1941 | 10c a Copy: $5.00 a Year | No. 45

The Nation's Business

Our Man Power Policy Not Meeting War Need

For 26 months we have been trying to wage war on the voluntary system of utilizing the country's man power. What have been the results?

We have raised and sent overseas about 100,000 troops and although these have suffered practically no war casualties we are having difficulty in keeping them up to strength and recruiting of further active service units is almost at a standstill.

Our food production next year is threatened because farmers cannot compete with the wages and cost-of-living bonuses offered by other war industries.

Our vast new war plants now coming into production are finding it more and more difficult to secure skilled labor and already there is more than a threat of wasteful competition for this supply. In the meantime throughout the country there still exist pockets of unemployed, and our vast reservoir of woman power remains scarcely tapped.

If we were sure that Hitler would wait until we were ready, were sure that this was going to be a leisurely war, then perhaps the present haphazard way of utilizing our strength might be good enough. But we know Hitler will not wait, that soon we must be ready to face him, and if we haven't the men trained and in position then, we will be beaten. Col. George Drew, just back from England, put the matter clearly and forcibly in his Empire Club speech last week when he said:

"We must not waste an hour or a minute in preparing to the limit of our strength to prevent that possibility.

"We must mobilize in full human and material resources without further delay. There must be equality of service and of sacrifice under a universal compulsory selective system.

"Nothing else will produce the man power we need so urgently. Nothing else will keep the men on the farms and in the factories who are needed there. Nothing else is truly democratic in a war of survival, such as this is.

And Col. Drew's solemn warning was backed promptly by one of the first dollar-a-year men "conscripted" by Ottawa, James S. Duncan. The head of the Massey Harris Co. and former Deputy Air Minister came out point blank against the present system. With war machines rolling out of factories faster than recruits are enlisting to man them, the time has come, Mr. Duncan told a Toronto audience for "compulsory selective service."

Mr. Duncan, who runs a company which is among the Dominion's largest employers of labor, scoffed at the idea that we could not turn out armies and war machines too. He said:

"All those who employ labor know full well that there are tens of thousands of men working in our war industries, in our civilian peacetime industries, in our public utilities, in our civil services and in our agriculture, whose jobs could be taken over by women."

This is plain speaking from a man who has no interest in politics, one, who cannot by the wildest stretch of imagination be accused of having "an axe to grind."

Ottawa will have to heed and meet this challenge.

Our present way of handling the country's man power is breaking down. It is not good enough—not nearly good enough for a country planning an all out war effort.

* * *

CONSERVATIVES NEED A WILLKIE

Selection of a new Conservative leader is not just a matter that concerns the party only. All Canada is interested.

It is of the utmost importance to good government that we have an effective opposition, one that can support as well as criticize and that is fully capable of taking over the reins of office at the command of the electorate.

In all three respects there have been grounds for criticism of the present opposition at Ottawa. True it is weak in numbers but this is all the more reason why it should have been strong in leadership. And yet for almost 18 months there has been no permanent head of the party which even at the last election polled 31% of the votes cast.

The official opposition at Ottawa has lacked full information and knowledge regarding governmental affairs, of how the people's money has been spent and whether or not full value has been obtained for that money. There has been no attempt to develop definite constructive policies. These can only be formulated and enunciated by a permanent leader, a man who owes allegiance to no clique or special interest. He must have ability to inform and to inspire the people of Canada to get them to make willingly any and all necessary sacrifices for an all out war effort. That must come first.

In the United States in the last 12 months we have witnessed the invaluable support given the country's war effort by the official head of the opposition. A Wendell Willkie at the head of a Conservative party here could do as much for Canada.

* * *

TELLING OUR STORY TO U. S.

Speaking at Western University, Hon. Leighton McCarthy, K.C., Canadian Minister at Washington, expressed satisfaction at the attitude of Americans towards Canada's war effort.

He quoted various opinions in support of that view and expressed his belief that "the general attitude of the American press and people toward this country is one of generous and unqualified goodwill."

Since Mr. McCarthy has raised the question of Canada-U. S. press relationships himself, some comment on this long-smouldering controversy is in order.

It is now generally known that Mr. McCarthy has vigorously opposed the opening in New York or elsewhere of an official Canadian "information" bureau.

He has apparently taken the attitude that such a policy was not only unwise and unnecessary, but that it would be a reflection on his own attempts to improve Canada-U. S. relationships through his own press attache at Washington. He has made personal visits to Ottawa to press this view and is reported to have threatened to resign if such a bureau was created.

Mr. McCarthy's attitude until recently at any rate has had the support of the U. S. State Department and other influential governmental authorities in that country. While sympathetic with Canada's problem, these officials have felt it would be unwise and prejudicial for Canada to establish an official information agency which would have to be registered as such with the U. S. Department of State.

This disapproval has recently been withdrawn and it has now been intimated that Canada is free to apply for such a bureau if she wishes to do so and that no objection will be raised if we decide on that policy.

It is difficult, however, not to feel that at best such "permission" is rather grudging and that our friends in official places at Washington would much prefer we go about the matter some other way.

But when Mr. McCarthy expresses satisfaction that the attitude of the American press and people is one of the utmost goodwill toward Canada, he misses or avoids one of the main points of the controversy.

Granted that such goodwill exists to an unparalleled degree, the place where Canada has fallen down in a lamentable and totally inexcusable degree is in fostering and enlightening that goodwill by every means in her power.

Hardly a day passes without some editorial writer from the U. S. complaining that Canada has failed to tell her story adequately to Americans. Private letters, public radio addresses and personal contacts from one end of the continent to the other attest this fact.

Healthy Discontent of the Average Briton Vital Factor For Victory Over Nazis

Feeling In England Is That Big Industrial Machine Not Yet Geared to 100% Efficiency, Chalmers Reports

In this issue, The Financial Post publishes a cabled article from its editor, Floyd S. Chalmers, who is now in Britain. Mr. Chalmers has gone to England to survey the manner in which Britain has reorganized its business and community life and mobilized its human resources to meet the demands of total war. Further cables will appear.

On his return Mr. Chalmers will write a series of articles dealing with the big issues the war has raised in the field of war supply and financing; such questions are production of the "tools of war"; the relation of Canada's war effort to the total Commonwealth effort; the problems of reorganizing national life for an all-out effort; and the newest thought in respect to paying the war bills.

These, it seems to The Financial Post, are the phases of Britain's war effort that have so far received least attention in news articles from Britain appearing in Canadian publications.

Previous overseas trips by Mr. Chalmers, particularly to the World Monetary and Economic Conference in London in 1933 and to Europe and Britain in the fall of 1938, have given The Post editor an intimate understanding of the background of the business and financial problems involved in the war.

Mr. Chalmers has gone by himself, and not as a member of an official party or conducted tour. He flew to Britain via the Clipper to Lisbon.

FLOYD S. CHALMERS

By FLOYD S. CHALMERS,
Editor, The Financial Post

London (By Cable) — What made the strongest impression on this visitor to wartime London was not the air raid—the first in 92 nights—that greeted his arrival, but the wide extent of the feeling that, while Britain's war machine was doing a magnificent job, with a high degree of efficiency, that was not high enough.

Anyone who interprets this as a sign of defeatism would make an egregious blunder. Rather, Britons feel they are certain to win the war as soon as an all-out war effort is achieved. These are the people who are in Britain's front line, and the great strength of Britain's front line is that those manning it today are not satisfied with less than a 100% war effort.

Churchill is still an inspired and magnificent leader of an embattled people but two weaknesses beset him. First is his own lack of high organizational and administrative talents. The other is the presence in the cabinet of too many legacies of national government—men retained because they represent certain political groups rather than because of their real abilities. Informed Londoners tell me the day is near when Churchill will ruthlessly overhaul the cabinet, giving Britain a generally strong war government.

In the shuffle, Beaverbrook will likely emerge an even more powerful figure. Although none too popular, he is regarded as tough, and able to get results. Today he is rising as Britain's second war leader and an obvious alternative to Churchill. The News Chronicle's recent Gallup poll confirms the public's dissatisfaction with the direction of the war. Questioned on Churchill's leadership the polls showed 84% approving, 11% disapproving and 5% uncertain. Figures incidentally are lower than the survey of last June.

Majority Not Satisfied

But questioned on the government's conduct of the war, people were only 48% satisfied, 38% dissatisfied and 18% uncertain. Last June 58% were satisfied. Much of the dissatisfaction arises from a lack of planning. For example: Ernest Bevin is now calling for workers for war plants. Many new factories built since Dunkirk are now finished and well equipped with machinery but there are insufficient skilled workers to man them. Yet, last summer, the Labor Ministry neglected to establish an adequate training scheme to supply the necessary personnel. Britain has not yet made most effective use of her great industrial business leaders, many of whom now perform comparatively trivial tasks, while the Whitehall civil service entrenches itself more firmly behind sandbags. It has been estimated that Britain is not yet getting over 75% possible production from its vast industrial plant. Churchill is almost certain to meet the public demand for a cabinet shake-up, but is unlikely to respond to the less well-advised clamor for opening a western front. Authorities want no more Norways, Dunkirks or Cretes. When Britain strikes on the continent she will strike to win and only the most naive believe her military and material strength is great enough for that now.

New Export Policy

The new direction of British export policy is taking is of great interest to Canada, in view of the success of the Buy British campaign in our stores. Britain, from the start has regarded its export policy as a tool of war. Her earliest policy was to encourage all exports in order to obtain dollars to pay for food and munitions. Some exports were also made for political purposes such as to Turkey, where the alternative was to let Turkey get her needs from Germany. British industries were organized into groups under government control and went after the old German and Italian markets. After Dunkirk when material was scarcer, Britain's export policy became more restricted and selective and concentrated on Canada and United States where sales created dollar balances. Then came the Lend-Lease Bill and the subsequent criticism that Britain maintained her export trade while America restricted exports in order to supply Britain.

The British hold they never exported with a view to maintaining their foreign markets for postwar trade, but only to obtain the means of payment for war materials. But whatever her policy has been in the past, her export trade is now under rigid control of the British government which issues no licenses for export of goods requiring any materials essential to war effort.

Certainly anyone who has the notion that Britain is utilizing material aid from United States or Canada to capture new export markets or hold onto old ones, is badly misinformed. Now that the problem of paying for American and Canadian materials has been solved by Lease-Lend and Canadian financial assistance. Britain, officials inform me, is seeking to concentrate all her essential materials, labor and factory capacity, on war production.

There is intense interest here in Canada's war effort. Canada's voluntary and ever-growing contribution has won the heartfelt gratitude of the British people. This is gratifying because of earlier evidence that Lease-Lend aid had shifted attention from Canada to United States. That country is still the focus point of much attention, but Britain still holds a hearty respect for the role played by the senior Dominion.

How Price Ceiling Plan Will Work

Official Pronouncement Postponed But Here Are Answers to Problems Which Are Being Pondered by Much of Canadian Business

Interpretation of the momentous wage and price fixing orders is still the key problem for Canadian business.

Further official announcements on how the price ceiling scheme will be worked out and how scores of particular business situations will be affected have again been postponed and will not be available, officials state, until next week.

The Financial Post herewith publishes an informed explanation of this order and answers many of the questions business is asking.

By K. R. WILSON,
Staff Writer, The Financial Post

OTTAWA.—Present deadline for publication of the first general order under P.C. 8527 establishing a complete ceiling over all prices in Canada is now set for November 10.

An earlier deadline of November 3 has had to be abandoned.

The general order will carry forward in great detail the original order-in-council released last Sunday night. It will clarify the original order in many important respects and answer many questions now puzzling business firms as to application of the price ceiling in particular areas or situations.

After this general order has been released, further clarification will probably be through the rulings of individual administrators appointed or to be appointed under the new authority.

The general order will indicate certain exemptions to the price ceiling and which are not now named in the order-in-council. Most important of these is perishable fresh fruits and vegetables.

One important point on which The Financial Post has obtained clarification is the question of drawing the line as between the authority of individual administrators.

The rule-of-thumb which business may use is this:

Commodity controllers or administrators will exercise authority up to the time the finished article passes from one ownership to another.

Take for example, suits.

The authority of the clothing administrator will apply, broadly speaking, until the time when suits leave the factory and enter into wholesale or retail trade.

Presently there is no administrator for wholesale trade but an appointment in this field is expected shortly.

Assuming this appointment is made prior to November 17, his authority will extend over all clothing and other commodities once they enter the wholesale area.

Similarly with retail trade.

E. G. Burton, retail trade administrator, has jurisdiction over pricing of suits (and other commodities) once they enter retail trade.

There are some exceptions to this rule.

For example: lumber. The entire lumber industry, manufacturing, wholesale and retail distribution will remain where it has been

(Continued on page 2, col. 3)

U. K.'s Market Here Hit By Lend-Lease Terms

By STAFF WRITER

OTTAWA.—Because of the impact of the recent Anglo-U.S. agreement respecting exports, British shipments to Canada of a wide range of merchandise have been entirely cut off, The Financial Post is informed.

A long list of items which Britain has suppled Canada for many years—especially goods containing steel or other essential war materials—cutlery, hardware, toys, etc.—are now completely unobtainable.

The situation of even a few months ago when scores of British firms were still eager and able to supply the Canadian market has been reversed.

Apart from disturbance of long-established trade connections and withdrawal of supplies which in many cases are not obtainable elsewhere, the termination of this trade will have an adverse affect on Canada's sterling-dollar exchange position.

Ran $10-14 Millions

Imports from the U. K. entered for Canadian consumption, have been averaging around the $10 to $14 millions mark monthly. This is the main avenue by which Britain can offset mounting sterling balances accruing in Canada by reason of heavy shipment of war materials and supplies on British account.

How much even this reduced volume of trade will be affected by the order, remains to be seen.

The curtailment was first hinted at by publication on September 10 of a white paper containing correspondence between Anthony Eden and U. S. Ambassador Winant regarding execution of the Lease-Lend Act.

This paper disclosed an undertaking which the U. K. had offered the U. S. government, namely, that Lend-Lease material received had not been used for export and that every effort would be made to see that it was not so used; also that the government would not apply any materials similar to those supplied under Lend-Lease in such a way as to enable exporters to enter new markets or extend their export trade at the expense of U. S. exporters.

Further, that no materials of a type the use of which was being restricted in the United States on the ground of short supply, and of which Britain obtained supplies from there either by payment or lease-lend would (with certain exceptions) be used in export.

Wide Range is Out

Since reaching this agreement with the U. S. a wide range of materials formerly exported to Canada and elsewhere has now been completely prohibited.

In one case a shipment of goods to Canada which was forced to return to a U. K. port on account of damage by enemy action at sea, was refused clearance when it attempted to leave again.

One interesting feature of British attitude toward their trade in Canada is a determination not to let trade names and connections suffer. One firm reports advertising appropriations from British companies to be equal or better than at this time last year.

English Reject Montreal Plan For Refunding

From Our Own Correspondent

MONTREAL. — Opposition of sterling holders of Montreal debentures is developing into a concerted action to block the proposed refunding scheme for Montreal debt. London has voiced its objection to the plan by cable and has named a subcommittee to form the nucleus of a larger committee which will buck the proposal on behalf of 15,000 sterling debenture holders, holding about £13 millions of Montreal obligations.

Subcommittee members are announced as R. B. Peason, chairman of the General Purposes Committee and R. P. Wilkinson, deputy chairman of the London Stock Exchange.

The London Times states editorially of the plan:

"But the City of Montreal has not yet established a case for any scheme of refinancing at all, that would exact sacrifices from the sterling bondholders."

Sources close to the bondholders' committee counter that London's objection is not justified. A spokesman for the group told The Financial Post:

"The British debenture holders are not justified in their objection. They are probably aggrieved because they were not consulted individually on the plan. They claim that the sacrifices they are being called upon to make are not warranted by the circumstances. The ailing condition of Montreal finances can hardly be questioned at this time."

The War And Business . . A Weekly Round-up

Postwar Trade

Understood to have been part of the second batch of Lend-Lease Aid to Britain have been certain American suggestions for postwar readjustment. Washington, it is reported, has asked Great Britain to make all its naval bases available to the U. S., and also has proposed that both parties subscribe to the following principles:

1. Removal of excessive trade restrictions.
2. Non-discrimination in international commercial relations.
3. Non-discriminatory use of raw materials.
4. Willingness to regulate supplies of commodities to protect interests of consumer nations and people.
5. International finance to aid essential enterprises and contribute to continuous development of all countries.

Though the bases deal suggestion has received the greatest publicity that concerning trade, it is believed, may be far more important. As a matter of fact under present arrangements Britain and the United States are practically Allies and joint use of naval bases may be accepted as a matter of course. But in any removal of excessive trade barriers, the United States, with a sky high tariff on many lines as against generally low tariffs in Great Britain, will be giving far more than receiving if the deal can be worked out.

Among the present government officials at Washington there is a feeling that the only quick way to get Britain on her feet after the war is to stimulate trade, and especially British exports. For success in this respect a drastic lowering of the American tariff is necessary. Of course Washington would also like to see either the Empire Trade Agreements entirely scrapped or widened to include Uncle Sam and would like more say in British colonial key exports such as tin, copper, rubber etc.

Ceiling on Profits

Two ceilings have been established by Ottawa—one on wages and the other on prices. A third was in the making, but for some reason it was dropped. The third ceiling was to be on profits. A considerable amount of work is reported to have been done on this matter by a group in Ottawa. They expected the PM would announce a three-way ceiling—wages, prices and profits. His failure to do so does not necessarily imply that the matter has been abandoned.

* * *

Conservative Chief

Conservatives meet in Ottawa this week to discuss their problems and Mr. Hanson's resignation as House leader. Judged by the notice sent out calling the meeting, there is no intention at this time of electing a permanent party leader. If Mr. Hanson goes through with his intention of resigning the House leadership—he has spoken of resigning many times over the last two years—then it will be necessary to replace him. In that event J. G. Deifenbaker might be asked to accept leadership of the official opposition.

* * *

May Air Zeller Letters

Businessmen across the country have been keenly interested in Walter P. Zeller's resignation as executive assistant to Hon. J. T. Thorson. The published correspondence indicated Mr. Zeller was handicapped in the measure of directness of action allowed him. The matter may come up in the House.

In that event it will be interesting to see if all the correspondence between Mr. Thorson and Mr. Zeller is tabled. There is a story going the rounds to the effect that Mr. Zeller sent two letters of resignation to Mr. Thorson, with the suggestion that he could take his pick as to which one he wanted to make public.

* * *

We Produce Tin

British Columbia is now producing tin at the rate of almost 500 tons a year, according to H. R. Banks of Consolidated Mining and Smelting Co. The Pacific province is now in a position to produce about 15% of Canada's total tin requirements, it is stated.

Tin is a by-product of the tailings from Smelter's Sullivan Mountain mine and recovery has been under way since last spring at the Trail plant. Previously, practically all the commercial tin used on this continent has been imported from the East Indies.

* * *

British in Caucasus

Once Britain declares war on Finland, Hungary and Roumania, observers expect British forces to join in the Russo-German fighting in the Caucasus. Some weeks ago, it was reported, Britain offered to send a supporting army from Iran into Russia but Moscow refused.

Rather confused reasons were advanced for this refusal but it is now believed it was based on the fact that the Germans were using Hungarian and Roumanian troops in this area. Without a formal declaration of war on Britain's part against these foes of Russia, a British supporting expedition, it was felt, would be useless.

* * *

New Aluminum Source

U. S. research experts are reported to have developed a process for extracting aluminum from ordinary white clay. Cost is said to be considerably higher than with the bauxite ore normally used, but supply of clay is practically unlimited.

* * *

Latest on War Output

Here is the latest summary of Canada's war production as reported by Munitions Minister Howe in the House of Commons this week:

Aircraft — Now producing at rate of 40 planes weekly, manufactured or assembled to date 3,749 machines, undertaking to produce three new types, including 4-engined bomber and fighter.

Guns — Ten types now being produced with 1942 production estimated at 400 anti-aircraft, 500 field, 150 naval and 1,000 spare barrels. Bren guns, produced 12,000 with 14,000 extra barrels, Lee-Enfield rifle production 1942 estimated at 200,000.

Ammunition—Producing 20 sizes at rate of 1.2 million per month. Total output since beginning of war 9 millions. Small arms ammunition 50 millions per month, with rate to be trebled in 1942. Bombs 500,000 delivered. Explosives production for 1942 is estimated at 70 million pounds monthly.

Transport—150,000 vehicles delivered.

Fighting Vehicles—Early in 1942 medium tank production estimaed at 200 per month. Universal carriers delivered 1,500, production rate 400 per month.

Shipping—Corvettes, 77 launched, 50 delivered. Mine sweepers, 59 launched, 40 delivered. Patrol boats, 11 delivered. Torpedo and crash boats, 19 delivered. Smaller boats, 700 delivered. Cargo boats, 10,000 tons, two launched; expected in service by late 1942, 100.

* * *

Milestones

Cost of living index rises eight-tenths of a point during September to 115.5, up almost 15% since beginning of war . . . Production of Barite, widely used in oil drilling and as a filler in rubber, plastics, textiles etc. expected to be boosted to 100 times prewar with development of Nova Scotia holdings . . . Officially reported that first 15 Canadian tanks to be shipped to Russia this month, scheduled: 100 Canadian cruiser and infantry tanks for Russia before end of year.

Hat News from EATON'S

Just off the Boat from England!

CHRISTY HATS

We've just received a shipment of fine fur felt hats from the world-famous firm of "Christy of London"! No need to say much about them because their reputation speaks for them! Snap brim models and homburgs in dark and medium grey, blue and brown. Sizes 6¾ to 7½. Each

7.50

Main Store—Main Floor.

T. EATON Co. LIMITED
TORONTO CANADA

Bond Tenders

Nov. 7, Village of Rockcliffe Park, Ont.—$15,400, 3½%, 15 years.

6 p.m., Nov. 17, Town of Beloeil, P.Q.—$80,000, 3½% or 4%, dated Dec. 1, 1941, redeemable serially from June 1, 1942 to June 1, 1958. R. Goulet, sec.-treas.

C. P. R. May Show Profit $2 a Share

From Our Own Correspondent

MONTREAL.—Canadian Pacific Railway is well on the way to having one of the most profitable years in the past decade. Even at this stage there is every assurance operating income for 1941 will be higher than for any year since 1940.

Last year the company earned $1.13 a share on its ordinary stock. This year returns should easily pass that mark. If the present rate of income increase is maintained, profits will be not far from $2 a share.

Preliminary estimates point to a net operating income to the end of October greater than for all of 1940 when the company earned $35.6 millions.

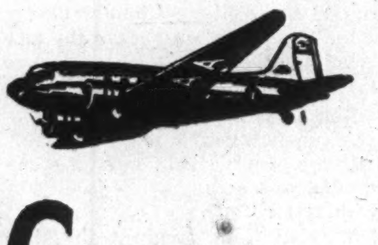
By the end of last August fixed charges for all of 1941 had been earned; a position which the company did not reach in 1940 until September.

Official returns of the company show that to the end of last September gross operating income totalled $158.4 millions. This represented a gain of $36.6 millions or 30.04% over the like period of 1940.

Though operating expenses increased, net revenues from operations for the first nine months totalled $29.7 millions, or 46.5% greater than for the like period of last year.

This preliminary and unofficial estimate would place company's net operating income to the end of October at nearly $38 millions, as against $25.7 millions for the first 10 months and $35.6 millions for all of 1940.

During the last two months of 1940 the C. P. R. earned just short of $10 millions net from railway operations. This figure should be passed by a comfortable margin this year. In that event net operating income for 1941 should be closed to the $50 millions mark. Additional expenses in the way of increased cost-of-living bonus to workers may whittle down this figure. However, allowing for that expense, net operating income in 1941 should be better than $10 millions ahead of 1940.



CHICAGO

3 FLIGHTS DAILY
4 hours, 45 minutes

NEW YORK—Three fast services daily via Buffalo at 10:30 am, 4:20 pm and 7:40 pm. Excellent returning services.

BOSTON—Five services daily. 3 hours, 53 minutes.

WASHINGTON—Five services daily. 3 hours, 39 minutes. Daily service to Pittsburgh and Baltimore.

CALIFORNIA—Excellent service to Los Angeles and the Pacific Coast. Daily services to St. Louis, Oklahoma and Texas.

GOING			
Lv. Toronto	10:30 am	4:20 pm	7:40 pm
Ar. Buffalo	———	4:57 pm	8:17 pm
Ar. Windsor	12:10 pm	———	———
Ar. Chicago	2:15 pm	8:13 pm	11:31 pm
RETURNING			
Lv. Chicago	9:20 am	12:05 pm	5:30 pm
Lv. Windsor	12:35 pm	———	9:00 pm
Lv. Buffalo	———	6:35 pm	———
Ar. Toronto	2:10 pm	7:15 pm	10:20 pm

(Standard Time Shown)
COMPLIMENTARY MEALS SERVED ALOFT
Consult Ticket Agent for Fares

For reservations, call your Travel Agent or Waverley 4661.
Ticket Office, Reford Bldg., 36 Wellington, West.

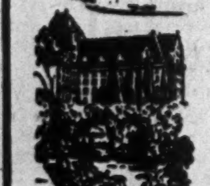
AMERICAN AIRLINES
ROUTE OF THE FLAGSHIPS

Treat yourself to a winter holiday in a balmy climate right here in Canada! No passports, no exchange problems! Victoria, the winter-garden city, offers you golf, fishing, motoring ... and a countryside where gardens bloom all winter! Your home — the Empress Hotel with its congenial guests ... you'll enjoy its delightful accommodation and delicious meals.

Low winter rates — European Plan, Monthly, to April 30: $75 up, single room with bath ... from $105 double (2 persons). Moderately priced meals.

OLD ENGLISH YULETIDE FESTIVITIES
EMPRESS GOLF TOURNAMENT March 9 to 14
VICTORIA SPRING GARDEN FESTIVAL April 22 to 25

Travel in comfort by train ... low rail fares ... see the Canadian Rockies en route. Booklets and reservations from your nearest Canadian Pacific agent or Manager of the



EMPRESS HOTEL
VICTORIA, B.C.
A CANADIAN PACIFIC HOTEL
In Canada's Evergreen Playground

How Price Ceiling Plan Will Work

(Continued from page 1)

formerly, namely under jurisdiction of the timber controller. The same is true of other control agencies already operating in a designated field.

Another exception is in respect of inventories. Present arrangements give the individual commodity controllers authority in respect of inventories even if such authority extends into wholesale or retail trade.

Another important point:

For the time being at least, there will be very, very few exemptions allowed by way of permission to "puncture" the price ceiling.

Until it "gets its breath" and has its organization functioning smoothly, the board intends to be "tough."

Every effort will be made to interfere as little as possible with essential production and to be as reasonable as possible. But price increases (above the ceiling) will be considered only as a very last resort and only after every other possibility has been exhausted.

Is There Overall Profit?

For example: It will not be enough for a business to plead that the price ceiling is causing a loss on individual items if the same firm reports a satisfactory margin of profit on his "overall" operations.

If overall profits are satisfactory there will be no disposition to monkey with price adjustment on individual lines.

On many lines it is highly probable that business firms will have to be prepared to take losses for several weeks, perhaps months, even if, eventually, some relief is afforded.

"Every avenue will be explored and every stone turned" before there will be any disposition to use the final resort of "puncturing" the general price ceiling.

Assist With Supplies

In respect of essential production which it is realized must be elicited, the board will aim first to assist producers in obtaining their raw materials at fair prices. A lifting of the price ceiling will be used only as a very last resort.

The question of raw materials, particularly when these must be obtained from U. K. and U. S. and are subject to price factors over which Canada has no control, will be handled by import control authorities set up under the board.

Some commodities will be placed completely under the board's jurisdiction and subsidized if outside prices get too far out of line with the Canadian ceiling.

On other items, relief will be sought through lower tariff or tax imposts.

Other items which are not seriously important in respect of living costs (for example English china) will probably be permitted to enter as before even if prices are materially above the present ceiling.

Dumping Live Issue

The question of "dumping" is expected to be a very live issue.

Under present regulations, the U. S. parent company of a Canadian subsidiary might quickly be liable to heavy dumping penalties if it continued to send into Canada at the Canadian price level, goods which had meanwhile increased greatly in price in the U. S.

No final decision has been made, apparently, on this problem but some relief in the way of amending present dumping regulations would seem to be indicated.

One of the most urgent matters facing the board and which has been the subject of much deliberation is the question of firms which were operating under "spring," or "summer" price lists when the price ceiling became effective, and which now face the dilemma of higher fall and winter prices already announced to the trade and or in process of distribution through catalogues, etc.

The textile business is especially concerned in this matter.

It is not expected that this will be dealt with under the forthcoming general order of the board since each individual case may have to be dealt with on its merits.

However, The Post is assured that a "modus vivendi" ("arrangement between disputants pending settlement of debate") is being now worked out to take care of this type of problem.

New Merchandise

Another allied problem is the question of entirely new merchandise.

This was in mind when the board, in its authorizing order-in-council, described the ceiling as applying to goods of a "substantially similar" kind or quality as those sold or supplied during the base period.

There will be careful scrutiny to ensure that any so-called "new" lines or products are really not "substantially similar." If this is established, the board's administrator may be called on to fix a proper price for the new merchandise or services.

The Wage Aspect

One reason for which no price adjustment will be considered is any rise in costs due to wage increases out of line with the new wage policy as laid down in P.C. 8253.

The fact that cost-of-living bonus payments in industries not now paying such a bonus are not mandatory until February 15, 1942, gives the board three months leeway to decide what is to be done where production costs rise after November 15, and as result of the government's own mandatory wage policy.

Any appeal to the board for relief on account of wage increases which are not in accordance with the official policy will of course receive no consideration whatever.

This would apply to firms employing less than 50 persons and which are not, therefore, under the new wage ceiling. If such firms pay higher wages to entice or hold their employees they may expect no consideration in respect of relief from the present price ceiling.

Nor can any relief be expected where firms find themselves embarrassed because of lowered volume of sales operating in face of fixed selling prices and uncontrollable overhead costs.

The case of the gasoline distributors some weeks ago is a case in point.

Faced with declining sales volume, pressure was brought to permit distributors an increase in customary margin of profit. The board ruled that such a policy (where excess distributing capacity plainly existed) would be unwise and uneconomic in time of war emergency. Followed to a logical conclusion, it would mean that entrepreneurs might be maintained in business for doing little or nothing.

Unless other grounds can be produced there will be no disposition to grant relief on this score.

"Yardstick" Still Problematical

No decision has been reached yet as to whether next week's general order will contain a general "formula" or yardstick whereby firms may gauge what the board considers a fair margin or "spread." Several proposals along this line are now under consideration by the board but whether something will be attempted by way of general advice to business has not yet been determined.

No final decision has been reached in respect of licensing. As reported last week in The Post, all business firms in Canada will be expected sooner or later to obtain a license. The decision as to when such license will be required depends on whether it is easier to "digest" the present license programme of food and clothing firms and add another broad group of firms as at Feb 1, or extend the programme as quickly as possible by a blanket order.

The board is still looking for a general manager. Such good progress has been made in the past week in appointment of key administrators that it is now expected the board will defer this appointment until it makes sure of getting the "right" man. An administrator has yet to be named in the field of wholesale trade.

A considerable number of accountants skilled in the ways of probing relations between business and government have been acquired recently through the offices of the Civil Service Commission. A number of these have come from the Foreign Exchange Control Board. Others are being drafted from routine work in other government departments.

Bond Redemptions

Bond issues:	Rate	Year	Due	Price
Montreal Refrig.	*6%	1947	Dec. 1	par
H. Walker deb.	4½%	1945	Dec. 9	102
Eastern Car ...	*6%	1952	Jan. 1	105
Dufferin Pav. ...	†5%	1955	Nov. 30	105
Mississippi R. Pr.	‡5%	1951	Jan. 1	105

†A debentures. * $45,000. ‡$148,600.

*All outstanding balance. Company will purchase bonds prior to the redemption date at 102, including accrued interest.

Rail Earnings Near Record

From Our Own Correspondent

MONTREAL.—Canadian railway earnings under the stimulus of war are crowding the record levels of 1928 and 1929. In October combined gross earnings of both Canadian Pacific Railway Co. and Canadian National Railways were the highest in that month since 1928.

Combined gross earnings of the two systems in October totalled $50.3 millions, an increase of $10.5 millions or 26.5% over October, 1940. The past month's total was $11.7 millions, or 30% greater than in the same month of 1939.

In the 10 months to Oct. 31 combined gross earnings totalled $429.1 millions, an increase of $89 millions or 26% over the same period in 1940.

The first 10 months of 1928 set an all-time record of $449.8 millions.

Following are the comparative combined gross earnings for the 10 months period from 1928 to 1941:

1941 ...	$429,107,000	1934 ...	$241,367,000
1940 ...	340,141,000	1933 ...	216,844,000
1939 ...	286,479,000	1932 ...	239,652,000
1938 ...	267,554,000	1931 ...	280,595,000
1937 ...	285,235,000	1930 ...	373,606,000
1936 ...	267,427,000	1929 ...	443,259,000
1935 ...	249,194,000	1928 ...	449,799,000

Howey Cave-in Stops Mining

Following a cave-in at the 750-ft. level, Howey Gold Mines will close down its mine permanently and salvaging equipment has already been started, President R. T. Birks informs The Financial Post.

The management had hoped to continue operations throughout the winter although little in the way of further profit had been expected, but the cave-in made it unsafe to resume.

It is believed that a large number of the miners will be able to find work elsewhere in the area and the company plans to help the others to relocate.

Mining equipment and the 1,500-ton milling plant are considered a valuable asset, with the present shortage of equipment and slow deliveries of new materials. The mill is believed to be worth more this year than last. Several offers have already been received for equipment but no decision has yet been reached on its disposal.

Massey Groups Seek Proxies

Stapells and Pardoe Oppose Plan — Wood, Gundy in Favor

A request for proxies to be voted in opposition to the reorganization plan of Massey-Harris Co. has been sent to the common shareholders by the Protective Committee. The communication asks for proxies in the name of H. G. Stapells, K.C., chairman, or Avern Pardoe, financial counsel, for the committee.

Wood-Gundy & Co. states it has "carefully studied" the Massey-Harris plan and adds "we believe this plan to be in the best interests of both preferred and common shares," in a letter being sent to Massey-Harris shareholders.

It is pointed out that, in spite of estimated higher earnings for the current year, there would be no chance of shareholders getting any return because of existence of the $21 millions deficit, while common shareholders also have ahead of them more than $6 millions in preferred arrears. "Through the proposed reorganization," it is stated, "both items would be eliminated and the position of each class of shareholder would consequently be improved."

For preferred shareholders the plan means immediate resumption of dividends, states Wood, Gundy & Co. For common shareholders it means receipt of one share for each two now held but the new common shares "will be in a much better position than the present shares, due to elimination of the profit and loss deficit of more than $21 millions, as well as to the elimination of more than $6 millions of preferred arrears which rank ahead of the existing common shares. Present common shareholders will receive more than 50% of the new common shares."

Common Shareholders Lose

Common shareholders "have everything to lose and nothing to gain" by supporting the reorganization plan, states the committee's letter. Common shareholders lose half of their present holdings and the general assets and goodwill represented by them, it is stated. They will hold a smaller percentage of the outstanding common stock as compared with the 100% now held. By these means they lose "a most substantial portion of future earnings and accretions to capital."

One half of the present voting strength of the common shareholders is transferred to preference shareholders which, added to those which preference shareholders now hold, assures them of voting control of the company, the letter maintains. A share in wartime profits, and any benefit from the return of plants and assets in countries affected by the war, and any reparations, is given up.

Changed Attitude

The letter points out that on March 25 of this year the company's president stated that war made it inadvisable to undertake capital reconstruction at present. The committee asks why then has the present action been taken when there has been no radical change in world conditions. They ask if it is because "the committee or committees representing the preference shareholders have been so insistent that the present plan is put forward to stop the clamoring."

The committee admits that common shareholders would be better off if the deficit were eliminated and preference arrears settled at a reasonable price to the common shareholders with some assurance from the company that the present situation would not happen again. It maintains, however, that the method used in the plan now before shareholders is worse than the trouble it is to cure.

Investor's Index

Nov. 8, 1941

Aluminum Co.	8	Geo. Weston	4
Brompton	12	Kensington Man.	8
Burns & Co.	13	Lake of Woods	10
Caldwell Linen	20	Massey-Harris	3
Canada Dry	20	Minn.-St. P. Rly.	14
Can. Northern	8	Mont. Trams.	8
Candn. Car	4	Nat. Biscuit	9
Candn. Celanese	10	Noorduyn Avia.	7
Candn. Indust.	7, 20	Ogilvie Flour	17
Candn. Inv. Fd.	8	Paramount	8
Candn. Oil Cos.	5	Power Corp.	9
C. P. R.	2, 9	Silverwood's	17
Consumers' Gas.	8	Steel of Canada	4
Dom. Engineer.	7	United G. Grow.	17
D'ferin Shpbldg.	17	Western Steel	20
Ford of Canada	13	Woods Mfg.	9

MINES AND OILS

Amal. Larder	18	Kirkland Lake	18
An.-Huronian	18, 19	MacL.-Cockshutt	19
Barber Larder	18	Malartic G. F.	19
Bralorne	18	Major Oil	18
British Dom.	18	Matach. Cons	18
Cheminis	18	McIntyre	19
Cline Lake	18	Nat. Malartic	18
C'monwealth P.	18	Normetal	18
Cons. Smelters	18	Northend Pete	18
East Malartic	19	Omega	18
Falconbridge	8, 18	Pres. E. Dome	19
Fernland	18	San Antonio	18
God's Lake	18	Sand River	18
Hollinger	19	Sarcee	18
Home Oil	18	Siscoe	18
Howey	2	Stadacona	18
Hudson Bay	18	Sylvanite	18
Int. Nickel	18	Un. G. Equities	18
Island Mountain	18	Waite Amulet	18
Kerr-Addison	19		

REGULAR FEATURES

Banking 15
Bond Markets 5
Bond Quotations 16
Business, Week in 7
Commodities 17
Company Reports 17
Editorial 6
Foreign Exchange 3
Insurance:
Fire and Casualty 14
Life 14
Investment Trends 4
Investment Enquiries 13
Market Opinions 5
Stock Quotations 16
Mining, Week in 18
Mining Quotations 16
Oils, Week in 18
Oil Quotations 16
Pulp and Paper 12
Wheat, Week in 17
Wheat Quotations 17

Montreal Plan Critics Appear in Minority

Reaction of investors to the Montreal reorganization plan is generally favorable, according to analysts of the situation consulted by The Financial Post.

Question of supervising the city's finances after reorganization is very much to the fore in the minds of many investors who tend to regard the terms of the plan as almost secondary to the strict future observance of its conditions.

Two basic plans for supervision are under consideration, The Post is informed. The first would be direct supervision as at present, with control vested in the Quebec Municipal Commission. Supervision by the Commission is regarded as completely satisfactory by most of the bondholders consulted.

Second method of supervision mooted is through a budgetary commission in which representatives of the city, the bondholders and the Municipal Commission would have a voice.

But that there will be supervision is certain, The Post is informed, and it will be continued until danger of a new default is passed. One suggestion is that supervision should be continued until the city's per capita net debt falls to $150 from the present figure of around $230.

Points overlooked by some critics are brought out in the address to the Investment Dealers' Association Convention by W. T. K. Collier, of the Montreal investment firm of Collier, Norris & Henderson. States Mr. Collier:

Background of Problem

"For years, Montreal suffered from improvident financial management. Budgets were balanced in theory but showed substantial deficits in practice. Money was borrowed widely from banks and from investors—it may be said that the city enjoyed a credit rating too high for its good and borrowing was made too easy. Tax collections were slack, and there was built up an item of so-called Accounts Receivable (taxes, etc.) that closer investigation suggests contained a large amount that should be classified as bad debts.

"Administration costs were high and there was much overlapping of personnel and unsound division of responsibility and authority. A large contributing factor to this unhappy picture was the practice adopted (in order to aid in balancing overstrained budgets) of capitalizing—i.e., borrowing against all sorts of expenditures that, under prudent management, would be met out of current revenues. For example, direct relief costs and relief works in recent years, amounting to over $50 millions have been funded or raised by bank loans."

More For Debt Service?

Some criticism has been heard of the amounts allocated to debt service in the new plan. From $13.5 to $13.8 millions annually is to be reserved for interest and redemption, enough to redeem the outstanding debt in 35 years.

Compared with amounts shown for the past few years, ranging from $17.6 to $19 millions, the new terms appear low. But the higher figures applying to recent years obscure the fact that relief charges in these years were being funded. In effect, while debt charges were taking roughly $5 millions more each year, this amount was being borrowed to finance relief. In other words, since the debt was mounting at this rate, the true amount available for debt service was actually about $5 millions lower than shown.

States Mr. Collier on this point:

"It is clear that in arriving at an estimate of the City's (ability-to-pay)—the basic factor in working out any debt reorganization plan—it was necessary to take into consideration all the points and to make special allowance for unavoidable fluctuations in net income, for the uncertainty of unemployment relief costs in the light of past experience and for the provision of adequate sums from year to year for capital purposes and for major replacements and repairs.

"The maximum average amount deemed available for debt service is estimated at $14,500,000 annually. Proposals under discussion require annual payments of approximately $13,490,000 to $13,785,000, to which must be added the premium payable by the city on U. S. dollar-payment debentures for both principal and interest, less a smaller saving on sterling payment issues."

Remaining objections appear to centre on the cut in interest rates and the lengthening of the term of the outstanding bonds. Average rate of interest now paid by the city is 4.49%, the new plan would reduce this to 4%. In view of the more stable operations expected in future, it is felt these sacrifices will in all probability be compensated by the improved credit standing, and consequently improved market for the city's obligations. It has been the experience in many other municipalities reorganized under more drastic terms, that the gain in security of principle has outweighed the loss in interest.

Thomas Bignell Heads Consol. Bakeries

Thomas Bignell, formerly eastern divisional manager, has been elected president of Consolidated Bakeries of Canada. He succeeds Robert McMullen, who has been president and general manager for the past 12 years. Mr. McMullen is continuing as a director of the company.

HOLD HIGH THE TORCH OF FREEDOM

YOUR AFFAIRS ARE KEPT *Private*

When you become a customer of the Bank you can be perfectly sure that your business will be held in strictest confidence.

Your bank balance may be small or large, but no one will know what it is—*unless you* tell.

You may *borrow* at the Bank and no one will be the wiser—unless *you* reveal it.

You may place securities with the Bank for safekeeping and no one else will know—unless *you* tell them.

No one is privileged to intrude upon this confidential relationship of the Bank and its customers.

BANK OF MONTREAL
"A Bank Where Small Accounts Are Welcome"
Modern, Experienced Banking Service ... *the Outcome of 124 Years' Successful Operation*

Seen the New SUITINGS At Simpson's?

Simpson's Tailored-to-Measure Shop is ready to show you a brand-new range of fabrics at 29.75 that a lot of appeal. Richly patterned yarn-dyed worsteds, every one imported from England, along with an excellent group of tweeds that includes genuine Harris tweeds, handloomed in the Outer Hebrides. Expertly tailored and finished with a rich, striped harmony lining, guaranteed for one year. Suit, tailored-to-measure, 29.75.

Simpson's

TAILORED-TO-MEASURE SHOP—SECOND FLOOR

THE ONTARIO LOAN AND DEBENTURE Co
LONDON, CANADA
Established 1870
DEPOSITS ACCEPTED
5-YEAR DEBENTURES ISSUED
Deposits and Debentures (31 Dec., 1940), $12,147,569

DRIVE MORE CAREFULLY
War Priorities are making repairs and replacements more difficult
THE GENERAL ACCIDENT GROUP
357 BAY STREET TORONTO

HOW TO MAKE YOUR NEXT PAY CHEQUE GO FARTHER

The story of a remarkable Budget Plan and how you can use it to stretch your dollars

YOU are probably making more money now than before the war began. But with the war have also come higher taxes and higher prices. So you must often wish you could make your wartime dollars go farther.

For years we have been trying to help people with serious money problems. Recently we made an important discovery. We realized how many families stay out of money troubles through good times and bad. Yet they say they don't "plan it that way." We investigated. We found that they *do* plan, if only in their minds, how they are going to spend their income *before they spend it.*

We found these are the three things you have to do with each pay cheque:

1 Put aside funds for large items, such as insurance, taxes and Victory Bonds.

2 Take care of bills from the past—debts and instalment payments, for instance.

3 Pay current living expenses.

When you get your next pay cheque, plan how much you are going to spend on each item. Decide what you really need and what you can do without. A spending plan—if you stick to it—will keep you from spending so much on one item that you haven't enough left for the others.

A spending plan will also help you save something for the future. Peace will come again. A reserve then will come in handy. Meantime every dollar you save—every non-essential you go without—contributes to your government's war effort and to an earlier victory.

To help you plan your spending, Household Finance has just published The Budget Calendar. This helpful booklet makes budgeting easy and simple. No tedious bookkeeping is required. The Calendar contains a supply of "plan sheets" for every pay day in the year. You are invited to write for a free copy of The Budget Calendar without obligation. There will be no solicitation or follow-up.

Planned family spending can help win the war

Soldiers alone don't win wars. They need the help of the folks back home. Every citizen has his war duties. One of these is the duty of keeping his money affairs in order. No family—just as no nation—is strong whose finances are weak.

Thoughtless spending has no place today. This is a time to buy only what one really needs — and to borrow only to consolidate pressing debts or to meet some real emergency. Family debts should be paid up as rapidly as possible—to reduce interest charges and to preserve the borrower's credit for future emergencies. We hope that this message to encourage home money management will contribute to greater family financial strength and a greater war effort.

B. E. HENDERSON, PRESIDENT

HOUSEHOLD FINANCE
Corporation of Canada
Established in Canada 1928
Canada's largest and oldest personal loan company with 19 offices in 15 cities
Head Office: 80 Richmond Street West, Toronto

Household Finance Corp. of Canada
80 Richmond Street, West, Toronto
Please send me without obligation a copy of "The Budget Calendar."
Name
Address
City Prov.

Should Further Provincial Elections Be Postponed for War's Duration?

"Should further provincial elections be postponed for the duration of the war?"

Prompted by the controversy over the provincial elections in British Columbia and Nova Scotia last month, The Financial Post this week asked the above question of a group of representative Canadians.

Their answers generally oppose further elections of this kind in wartime, but are by no means unanimous.

Under normal conditions and taking full advantage of a five year term, no further provincial elections are in prospect until late next year when the Hepburn Government in Ontario would have to go to the people. Score sheet covering all provinces is as follows:

	Next Election	Last Election	Standing	
Ontario	1942	Oct. 6, 1937	Libs.	63
			Cons.	21
			Others	1
Saskatchewan	1943	June 8, 1938	Libs.	37
			C.C.F.	11
			Others	4
New Brunswick	1944	Nov. 30, 1939	Libs.	29
			Cons.	19
P. E. I.	1944	May 18, 1939	Libs.	24
			Cons.	4
Quebec	1944	Oct. 25, 1939	Libs.	70
			Union Nat.	15
			Others	1
Alberta	1945	Oct. 21, 1940	S.C.	35
			Ind.	19
			Others	2
Manitoba	1946	April 22, 1941	Lib.-Prog.	24
			Cons.	12
			C.C.F.	3
			S.C.	3
			Others	6
B. C.	1946	Oct. 21, 1941	Libs.	21
			C.C.F.	14
			Cons.	12
			Others	1
Nova Scotia	1946	Oct. 28, 1941	Libs.	23
			Cons.	4
			C.C.F.	3

Next week The Financial Post will make another telegraph survey of representative Canadian opinion on a current question of national interest.

Hon. W. A. Buchanan

Of Lethbridge, Member of Canadian Senate.

Providing there is no incriminating situation I agree that elections should be avoided during wartime. The public's attention should be concentrated wholly upon our war effort. However, if a government is corrupt, wasteful and non co-operative, the electors should have the opportunity of ousting it. That type of government, of course, might very readily use the war as an excuse for avoiding an appeal to the people.

* * *

J. R. Burnett

Editor, Charlottetown Guardian.

It is rumored that Premier Hepburn is seriously considering another appeal to the electorate. Let him pause and consider the fate of Premiers Duplessis and Pattullo rather than that of Premier MacMillan.

Nova Scotia has been Grit and machine-ridden practically since confederation, and only a miracle like the reciprocity issue would give the Tories a look-in.

This apart, let statesmen and even would-be statesmen realize that as a nation we are at war to the death with the powers of darkness and reaction and close our ranks for the duration. He is no friend of our democratic institutions who would throw a province or the Dominion into political uproar with the enemy at our door.

* * *

Norman J. Dawes

President, National Breweries Ltd., Montreal.

The suspension of provincial elections for the duration of the war appears to be necessary if the motive which inspires provincial politicians is the attainment of a sectional political advantage. This cannot be accepted as a valid reason in the presence of a national danger.

Victory in the war transcends all other considerations, therefore any unimportant deviation from that objective is intolerable.

Abraham Lincoln disposed of a needless election during the Civil War with a homely observation. He said, "When I was a boy on the farm I found it was bad policy to swap horses when crossing a stream."

* * *

R. J. Deachman

Ottawa.

Let democratic processes continue. How can democracy be strengthened by suppressing its forms?

Holding provincial elections will not restrict war effort. It might help. A debate properly conducted is a search for truth otherwise what value has it? Search for truth cannot be out of place even in wartime!

Provincial elections call for restraint on the part of those conducting them. Let the people be the judges on that issue. They are capable of reaching sane decisions.

I am out of politics. This is the opinion of a plain citizen, very plain.

* * *

J. G. Diefenbaker, M.P.

Prince Albert, Sask.

Party, personal and constitutional considerations count for little now. What does matter is that victory shall be assured and that can be attained only by an ever-widening mobilization of all of Canada's resources, together with those of all parts of the empire; a mobilization, uncircumscribed by party consideration, present or future.

The holding of a provincial election with its attendant partisan bitterness and expense contributes nothing to that end. Thinking people, irrespective of party loyalty are becoming heartsick of partisanship, patronage and governmental extravagance of some, but not all, provincial governments, at a time when personal sacrifices are being asked and willingly given. They are demanding that there shall be a wartime political armistice that will be an end to the luxury of party strife and political expediency, too often the sole reason for the calling of a snap election.

A public pledge or declaration by each of the provincial premiers that none but the most necessary expenditures will be made and patronage in all its forms will be abolished for the duration of the war, if followed by action implementing such pledge, would demand the willing co-operation of the opposition party or parties to extending the life of their respective legislatures. I am confident that the public would approve.

* * *

D. M. Duggan

Of Edmonton, Member of Alberta Legislature and Former Conservative Leader.

The postponement of provincial elections for the duration of the war should not be a matter of national policy. Each provincial government should have the right to extend the life of its parliament if it is mutually agreed between the government and His Majesty's opposition that such action would be in the national interest.

It is obvious in some cases that a substantial part of the electorate considers provincial policies and government propaganda inimical to Canada's war effort. Wherever such is the case the public should not be denied the right to express its views at the polls at the earliest possible date.

* * *

Dr. R. A. MacKay

Dalhousie University, Halifax.

I can foresee no issue of public policy in the provincial field warranting the expenditure of energy and money on provincial elections during wartime. Provincial elections are also likely to be occasions for promises of public expenditure which if implemented may impair nation's war effort.

If war lasts very long, the case for these elections might be stronger. I am decidedly of opinion however, that all provincial elections should be postponed for duration of the war, or for at least two years, whichever is shorter.

* * *

Rt. Hon. Arthur Meighen

Of Toronto, Opposition leader in the Senate.

I see no necessity of Provincial elections being held during the continuance of a war such as now rages over the world.

The great harm, though, which can be done by local contests is as nothing compared to the injury done the nation by a federal contest on a party basis. Such a contest took place in Canada in March, 1940 in direct defiance of the pledge of the Prime Minister and without so much as an attempt to constitute the government on a national basis with the inclusion of all pro-war parties before the appeal.

To this election we owe much of the impairment of our war effort since. The number of papers and journals, however, which made any vigorous or consistent protest against the disastrous division created by that election were very, very few.

* * *

H. R. Milner

President, Dominion Gas & Electric Co., Edmonton.

The suggestion that provincial elections be postponed for the war's duration has little to recommend it.

Several of the provincial governments have been playing politics and show no inclination to do their part in the prosecution of the war. If these people were assured of holding office for several years they would be completely unmanageable.

The fate of Pattullo should be a salutary lesson but its implications apparently have not been realized. At least one provincial premier continues to carry on propaganda which is distinctly harmful.

* * *

Dr. Sidney Smith

President, University of Manitoba.

Provincial elections should not be postponed for the duration of the war.

It appears to be inevitable that in wartime, in the interests of decision and despatch, much executive rather than legislative action must be taken by the Dominion government. In view of that situation the people should be constantly reminded that the sovereign will of the country is still vested in them.

The holding of provincial elections serves to keep before them that axiom of democratic government. The distraction and expense of elections are not too high a price to pay for the maintenance of the right of citizens to exercise freely and fully the franchise. The destruction or even the postponement of that right has been in recent history the first step of dictators.

* * *

Madame Pierre Casgrain

Personally I would always look with grave apprehension on any attempt to curtail the franchise in any field at any time. Since we are fighting for democracy let us be consistent and give proof of our sincerity by upholding it at home and refusing to sabotage it through stifling the voice of the nation. The ballot box is democracy's most powerful remaining bulwark and dictatorship's worst enemy.

New Books

Looking Outward

INDIA TODAY, The Background of the Indian Nationalist Movement. By W. E. Duffet, A. R. Hicks and G. R. Parkin. Published by Ryerson Press. Price 60c. Foreward by J. M. Macdonnell.

Nazi progress through Russia, well-known Nazi designs for smashing at the British Empire in the East, scraps of information which suggest India's industrial contribution to the democratic war effort is vast—all give India a frequent place in current conversations.

This 110-page pamphlet in the Contemporary Affairs series published under the auspices of the Canadian Institute of International Affairs pretends to do nothing more than to present in concise and comprehensive form information which informed Canadians should have about India.

The authors are all employees of a Canadian company having extensive business operations in India.

Says Mr. Macdonnell (National Trust Co.) in his foreword: "No Canadian statesman has ever been directly responsible, as have British statesmen, for decisions affecting economic, social and political developments in India. As a result Canadians have, in the case of India, been content to let others do their thinking or fact gathering for them . . . But unless Canadians make at least some attempt on their own account to inform themselves regarding the more elementary aspects of important Commonwealth problems, they will fail to play the responsible part in Commonwealth affairs which can properly be expected of them."

How to Do It

HOW TO SELL BY TELEPHONE. By Earl Prevette. Published by Longman's Green & Co. Price $2.50.

Telephones and telephone books hold a peculiar fascination for the salesman. There were (Dec. 31, 1939) in Canada 1,397,272 telephones in use; some 20,750,000 in the United States. Ownership of a telephone represents a measure of economic importance. It usually represents a fairly good record for bill paying and the telephone book is an up-to-date name list.

Author of this book is said to have sold $10 millions worth of life insurance by telephone, hence his technique might almost be regarded as authoritative.

Illustration of his analysis of his medium are Prevette's rules as to the time of day for telephone selling various types of people. He bases his conclusions on pointed analysis of their jobs. Executives, after 10.30 a.m.; Doctors, 9-11, 1-3; Dentists, 8.30-9.30 a.m.; lawyers, 11-2; bankers, brokers, before 10, after 3; construction business, before 9 a.m., noon, around 5. Accountants, any time of day but not between Jan. 15 and March 15; publishing, 3-3.30 p.m., Clergy, Tuesday. ("Sunday is their busy day and takes them a few days to recuperate.")

The Future Looks Bright

for families protected by Trust Funds

● There is more to trust protection than future security for your family. There is *present* serenity for them in the knowledge that the future is taken care of . . . and there is *present* satisfaction for you in the knowledge that you have done everything possible to assure a life of comfort for your loved ones when you are no longer here.

● Don't put this vitally important matter off any longer. Come in and talk with our Trust Officer at your first opportunity.

Crown Trust Company

Executors :: Trustees :: Financial Agents

MONTREAL / TORONTO

Foreign Exchange

During the week Oct. 28 to Nov. 3 there was no change in the quotation on the United States dollar at Toronto and Montreal which was $1.10 for buying and $1.11 for selling. The sterling rate likewise was unchanged at $4.43 buying and $4.47 selling. The rate is published daily by the Foreign Exchange Control Board.

Other Currencies, Nov. 3

Australia	3.58	N. Zealand	3.61
India	.3353	S. Africa	4.47
		Hong Kong	.2835

Things are

GROWING

in Kingston, Ontario

More Population

● Increase of 25.2% in ten year census period is the greatest of any city in Ontario.

More Industries

● Aluminum Company of Canada, Ltd., 1500 employees. C.I.L. Nylon plant announces million dollar addition to original plant which is now nearing completion. Canadian Locomotive Company, three large new buildings now on munitions work.

More Homes, Stores, Theatres

● Since 1939 there have been 264 new single dwellings erected and many apartments. Several new stores have been opened. Two new moving picture theatres have been built. A new Catholic church is nearing completion.

More Newspaper Coverage

● Maintaining its dominant position in the Kingston area, The Whig-Standard has increased in circulation from 10,970 in September 1939 to 12,740 in October, 1941. (Average net paid for the month). Your advertising dollar buys MORE coverage in a bigger market in Kingston.

The Whig-Standard

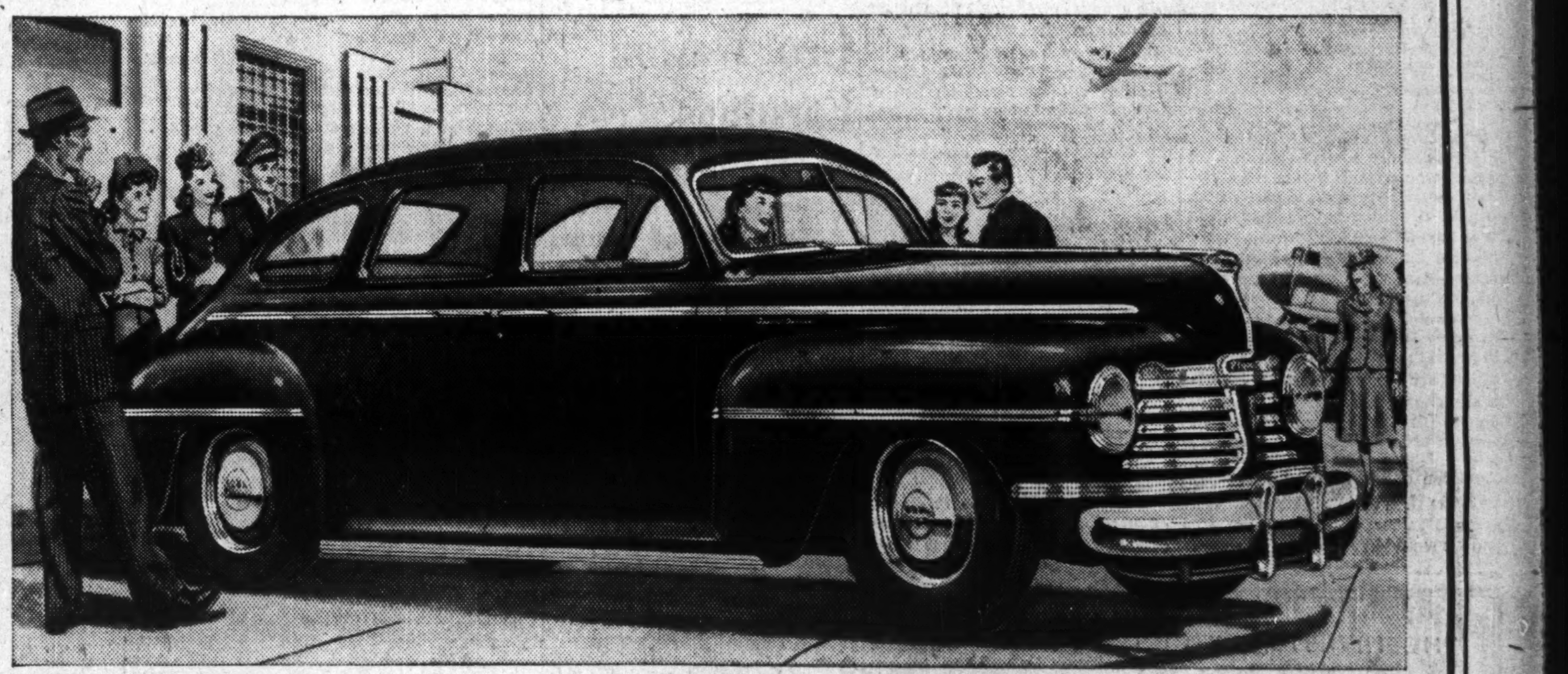
KINGSTON, ONTARIO

A Better Newspaper in a Better Market

HERE'S NEW ECONOMY FOR YOU NOW—AND FOR YEARS TO COME!

The New Plymouth gives you 95 h.p. with New Economy . . . Low Upkeep!

The New-Styled, Low-Slung bodies are wide and roomy, and you get a grand new ride!



IT'S AN INVESTMENT in long-time satisfaction—a big, handsome, brilliant-performing automobile—*Plymouth's Finest!*

Power rating is increased a full 10%—to 95 H.P. but the engine does its work with fewer revolutions per mile—saves you gas and oil . . . is longer lived.

There's a grand driving "feel" to this big Plymouth. Its low centre of gravity gives you a marvelous ride—smooth, steady, sure-footed on curves. Finest performance you've ever experienced in a low-priced car.

And Plymouth's Finest *protects* your car investment. You get an Oil Bath Air Cleaner, Oil Filter, Front Coil Springs, Oilite Bearings, vital engine parts Superfinished against wear—and all the other famous Chrysler-Engineered features that make for Long Life, Safety and Reliability!

Buy Wisely—

BUY PLYMOUTH

Be sure to see the New Plymouth at your near-by dealer's! DRIVE IT—It is Plymouth's Finest!

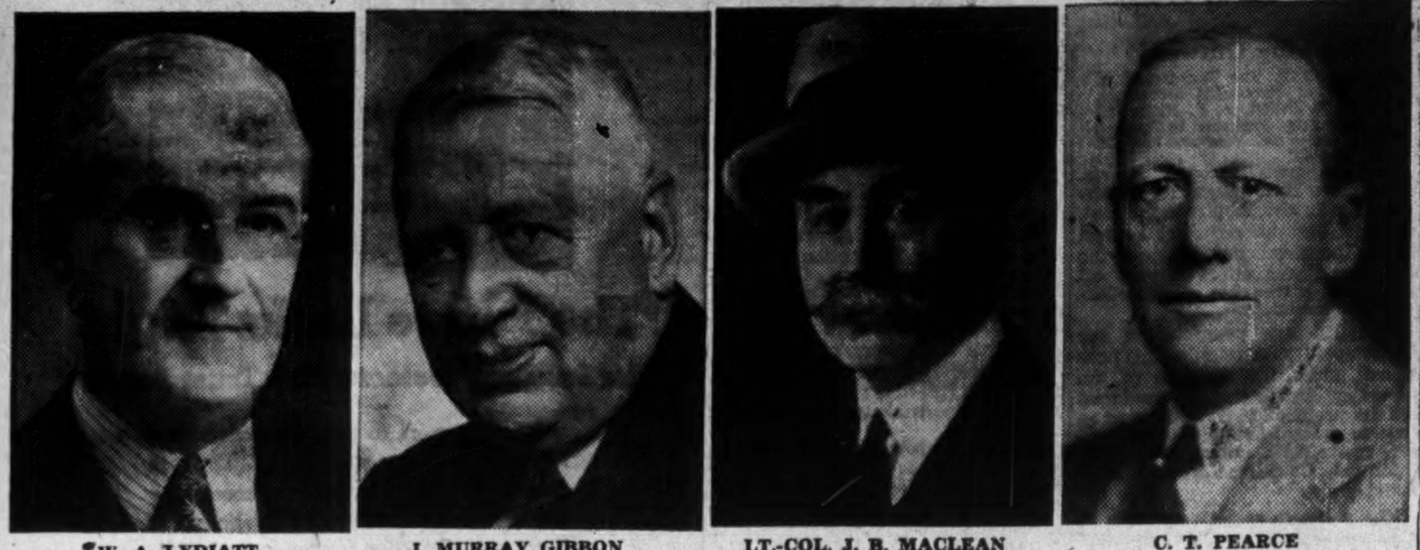
Products of Chrysler Corporation

Army Tanks • Gun Parts • Aircraft Parts • Anti-Aircraft Guns • Army Trucks • Special Army Passenger Cars • Passenger Cars and Commercial Trucks • Army Service School • Special Type Army Station Wagons • Airport Crash Cars • Airport Flare Cars • Emergency Lighting Plants • Marine and Industrial Engines • Naval Guns • Workshop Lorries • 25-pounder Guns.

PLYMOUTH'S FINEST is low, wide and massive, with a new-styled front end . . . concealed running boards.

ENGINEERED AND BUILT BY CHRYSLER

Honored for Services to Advertising



W. A. LYDIATT — J. MURRAY GIBBON — LT.-COL. J. B. MACLEAN — C. T. PEARCE

At its annual convention in Toronto recently, The Association of Canadian Advertisers singled out for recogition four Canadians, for their outstanding service to Canadian advertising in one form or another. This is the first year the Association has conferred such honors, and special significance is attributed to the awards for that reason. W. A. Lydiatt, publisher of Marketing received the gold medal awarded for the most outstanding service to advertising generally. Silver medals were presented to J. Murray Gibbon, advertising and publicity director of the Canadian Pacific Railway for outstanding service by an advertising manager or member of an advertising department; to Lt.-Col. John Bayne Maclean, chairman of the board and founder, MacLean Publishing Co. Ltd., for the most outstanding contribution by an executive of a media organization, and to C. T. Pearce, president and general manager, A. McKim Ltd., for the most outstanding service by an advertising agency executive. Awards were presented at the association dinner.

Investment Trends

U. S. Dollar Parity Of Marked Influence

Investment Markets Might Not Gain By Such a Move — U. S. Weekly Pays Tribute to Canada's Policies

There has been discussion from time to time with respect to ending the prevailing premium on the United States dollar in terms of Canadian funds and it has been renewed recently. Without going into the pros and cons of whether or not maintaining the Canadian dollar at par with the U. S. dollar would be desirable, there are phases to consider where such a move would influence investments.

Ever since shortly before the war, Canadians who hold stocks or bonds payable in U. S. funds have been receiving a premium of 10%. But from that they have had to pay a 5% tax to the Canadian government which is applicable whenever payment is accepted in currency at a premium of 5% or more in terms of Canadian funds. If the payment is made by a U. S. company, there is also the withholding tax, now imposed by the U. S. at a rate of 27½%. Here again the deduction is not net, as offsets are allowed against Canadian income taxes payable. The point is that this 10% premium has not been of nearly as much help to Canadians as might have been expected in the first place.

Actually there are but few Canadian companies that still pay dividends in U. S. funds. Among the more important might be listed Aluminium Ltd. preferred; Andian National Corp.; Distillers Corp.-Seagrams preferred, and International Nickel.

* * *

For Americans

For an American thinking of investing capital in Canada, there is the initial advantage of being able to buy Canadian securities at a price made attractive by the premium prevailing on U. S. funds. This is not the only factor accounting for the substantially lower prices Canadian stocks command in New York, but it plays an important part. How great this discrepancy still is is well shown by the following example:

Closing Prices Nov. 3

	N. Y.	Toronto
Canadian Pacific	4½	6⅛
Imperial Oil	7	9½
International Petroleum.	11⅜	15¼
International Nickel	26⅞	33¼
Lake Shore	8⅜	11¾
Hiram Walker-G. & W.	34	46

* * *

Adjustment Scale Doubtful

Undoubtedly some adjustment of prices would result should the Canadian dollar be brought to parity with the U. S. dollar but it seems that only part of these adjustments would become immediately apparent. The longer-term results might be some time in developing.

They might depend on how burdensome it was to maintain parity between the two exchanges. As conditions are at present Canada is seriously short of U. S. dollars with which to pay for the tremendous amount of war needs we are buying in the United States. Should the Canadian dollar be brought to par with the U. S. dollar, this supply and demand factor would still operate and we would have to find the means of supporting our exchange at the higher level.

The question is whether or not the burden of such an operation—even if done with the full support of the U. S. as would be essential—would offset the gains from the lessened cost in terms of Canadian dollars of what we buy in the U. S. set against the reduced return from what we sell in that country. It looks like something which might bring strains, becoming evident only as it became clear how great would be the difficulties of maintaining parity.

In conclusion, it is not at all clear that the stock market would be helped by such a move, even without considering the very direct, and probably adverse effect on two of Canada's major industries—pulp and paper and gold mining. Moreover, the discussion appears academic at this stage.

* * *

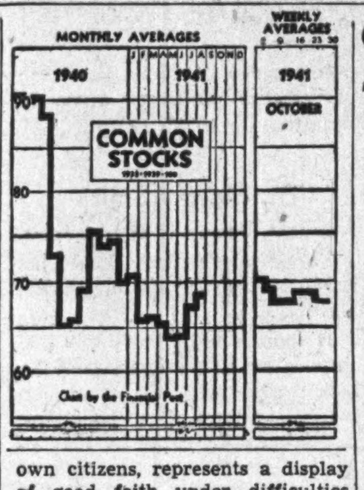
Tribute Paid

That Canada's wartime financial policies are handling this country's burdens in a style that "for scientific hardheadedness and willingness to face facts is scarcely surpassed by any nation in the world today" is the opinion expressed by F. J. McDiarmid in a leading article on "How Canada is Financing the War," in Barron's, the New York financial weekly. Regarding Canada's good faith to American investors, he says:

"Canada's struggle to meet her obligations to American investors, even at considerable sacrifice to her own citizens, represents a display of good faith under difficulties almost without parallel in the modern world. The net burden of these obligations in proportion to her population is one and one-half times as great as the reparations required from Germany under the Young plan. A nation whose pride burned less fiercely might take an easier course and been excused by the pressure of the times. . . . Investments in Canada remain the only large body of foreign investments on which very serious proportionate loss has not been suffered by American investors."

In spite of the admitted possibility that the war may mean an increase in Canada's debt to double or even treble its pre-war amount, it will be in the form of internal debt owned by Canada's own people and this country's financial position in regard to the rest of the world will be greatly improved.

Moreover, he maintains, "while most participants in this war are seeing their real wealth worn out or destroyed, or looted, Canada's real wealth, which consists largely of her capacity to produce, is being augmented at a more rapid rate than in peacetime."



Can. Car Munitions Staff Seeks Raise

From Our Own Correspondent

MONTREAL.—Negotiations are now on between representatives of the employees and management at Canadian Car Munitions Ltd. plant at Cherrier over the matter of higher wages.

Any pay adjustments, or increase in basic rates, would be subject to approval of government officials, under whose supervision the plant is being operated by Canadian Car Munitions Ltd., a subsidiary of Canadian Car & Foundry Co.

The matter has been left in abeyance for a week during which plant executives have agreed to take the matter up with the government authorities.

Geo. Weston Earnings Rise

Nine Months Report Shows Gain of 6c. a Share After All Charges

For the first nine months of the current year, earnings of Geo. Weston Ltd. continue the gain over last year shown in the first half of 1941 and report net earnings on the common stock of 83 cents for the period against 77 cents for the nine months of 1940.

The gain is after allowing for income taxes increased in accordance with the estimated effect of the rises in the 1941 budget. The increase, reflecting this factor and the gain in operating profits, raises estimated tax payable for the period to $270,657 against $204,001 last year. Operating profits rose $120,000, and net, after allowing for all charges, advanced $27,000.

Earnings Statement
Nine Months Ended Sept. 30

	1941 $	1940 $
Net oper. profit	899,780	779,171
Less: Depreciation	223,137	196,308
Income taxes	270,657	204,001
Net profit	405,986	378,862
Less: Pfd. divds.	67,595	67,599
Bal. for common	338,392	311,263
Earn. per com. sh.	$0.83	$0.77

Power Output At New Peak

September Returns Set All-time Record For That Month

From Our Own Correspondent

MONTREAL. — Central electric stations in Canada produced 2,866 million kw.h. in September. This was the largest output for any month to date in the history of the industry and compares with 2,640 million kw.h. in August and 2,399 million kw.h. in September last year.

Consumption of firm power in Canada also reached a new high record at 2,412 million kw.h. This contrasts with 2,288 million kw.h. in August and 1,886 million kw.h. in September last year.

The daily average consumption of firm power in Quebec increased by 10.7 million kw.h. or 45% over Sept., 1940, consumption. In Ontario the increase was 4.7 million kw.h. or 18%; British Columbia, 1 million kw.h. or 18%; and for Canada as a whole, 17.5 million kw.h., or 28%.

Reduce Secondary Power

Secondary power produced for use in Canada at September totalled 270 million kw.h., an increase over August secondary power consumption of 106 million kw.h., but a decrease of 126 million kw.h. from September, 1940, consumption.

Exports to the United States dropped from 187.6 million kw.h. in August to 183.9 million kw.h. which, however, was about the August daily rate.

The net consumption of firm power in Canada by provinces during last September follows:

Net Consumption Firm Power
(Thousands of kilowatt hours)
September, 1941

Prince Edward Island	697
Nova Scotia	39,039
New Brunswick	43,919
Quebec	1,044,144
Ontario	912,005
Manitoba	87,812
Saskatchewan	49,670
Alberta	28,451
British Columbia	206,597
Total	2,412,334

Nine Months Ended September
(Thousands of kilowatt hours)

	1941	1940
Prince Ed. Island	6,049	4,788
Nova Scotia	349,096	312,824
New Brunswick	346,695	329,229
Quebec	11,245,649	8,994,506
Ontario	5,774,492	4,943,708
Manitoba	770,983	727,851
Saskatchewan	435,238	404,553
Alberta	219,913	191,785
British Columbia	1,759,648	1,553,672
Total	20,917,763	17,462,916

November Dividends Up $2.7 Millions

Measured by total volume of payments, dividends scheduled for payment by Canadian companies in November this year will be $2.7 millions higher than for the same month last year. For the first 11 months of 1941, there is a gain of $5.4 millions, according to estimates prepared by The Financial Post.

So far as November is concerned, the gain is entirely due to declaration by International Paper Co. of $5 a share toward liquidation of arrears on its preferred stock. This payment requires $4.6 millions and without it the month's total would have been down.

Whether or not the total for all of 1941 will show a gain over last year will evidently depend on what happens in December. This is always a big month for dividend payments. Last year there were declarations for the last month of the year totalling $63.4 millions which was a decline of about $10 millions from the corresponding month of 1939. This drop was mainly due to the drop of $8.6 millions in dividends paid by Imperial Oil, International Petroleum and a couple of smaller ones. What dividend action these two companies will take this year for the year end can hardly be predicted but it is not expected that a drop of anything like that seen last year will be felt.

This month, in addition to the International Paper item already mentioned, International Metals is paying $3 a share on its two preferred stocks against arrears.

Five Extras Scheduled

There are no reductions reported and five extras are scheduled. Canadian Oil Companies is paying 12½ cents a share. Hollinger is paying five cents, Privateer one cent, San Antonio three cents and Toburn one cent.

Initial dividends are announced for Amalgamated Oils with four cents a share and Proprietary Mines with 20 cents a share. Federal Grain is paying $2 a share on its preferred stock, first dividend since Feb., 1931.

Monthly Dividends

	1941 $	1940 $
January	23,026,402	22,938,309
February	10,655,895	6,779,319
March	27,821,583	28,740,412
April	23,823,789	23,487,730
May	7,230,853	7,927,144
June	58,275,666	58,518,502
July	26,855,735	27,675,919
August	9,938,960	6,920,483
September	27,599,095	25,783,812
October	20,225,863	24,036,274
November	10,399,103	7,688,527
Total	245,852,944	240,496,431

Summary of November Payments

	1941 $	1940 $
Dividends	10,399,103	7,688,527
Bond interest	36,432,000	36,232,000
Total	46,831,103	43,920,527

Industrials and Utilities

Company	Rate $	Date	Amount $
Anglo-Can. Tele., pfd.	.68¾q	1	56,787
Assoc. Tele., pfd.	†.56	15	17,272
Do., $6 pref.	†.48	15	21,208
Ault & Wiborg, pf.	1.37½q	1	6,182
Beatty Bros., 1st pf.	1.50q	1	14,944
Blue Ribbon, pfd.	.62½q	1	18,656
B. C. Telephone, 2nd p.	1.50q	1	67,500
Calgary Power, pfd.	1.50q	1	88,500
Can. Bronze	.37½q	1	30,000
Do., pref.	1.25q	1	9,375
Coast Breweries	.03q	1	54,094
Cosmos Imperial	.30q	15	30,000
Crown Cork	.50q	15	50,000
Dist.-Seagram, pfd.	†1.25q	1	196,337
Dominion Bridge	.30q	25	154,185
Dominion Tar, pfd.	1.37½q	1	69,231
Dover Industries	.20	1	28,563
Federal Grain, pfd.	2	1	60,000
Gen. Steel Wares, pfd.	1.75q	20	78,750
Gordon & Belyea, A c.	1.50	1	3,300
Do., B com.	.30	1	277
Granby Elastic Web., p.	.69q	1	6,679
Humberstone Shoe	.25q	1	5,000
Inter. Metals, pf. A pf.	1.50q	1	67,807
Do., arrears	3	1	135,614
Int. Paper, pfd. arrears	†5	15	4,629,675
Inter. Utilities, pfd.	*†87½	1	86,597
Ont. Silknit, pref.	1	15	10,000
Ont. Steel Prod.	.25	15	12,110
Do., pref.	1.75q	15	6,304
Penmans	.75q	15	48,388
Do., pref.	1.50q	1	16,125
Quebec Power	.25q	25	138,299
Rolland Paper, c.	.15q	15	14,988
Saguenay Pwr., pfd.	1.37½q	1	68,750
Shawinigan W. & Pr.	.22q	25	479,215
Simpsons, pref.	1.62½q	1	182,812
South. Can. Pwr., c.	.20q	15	79,998
St. Law. Flour	.25q	1	9,000
Do., pref.	1.75q	1	10,062
Steel of Can.	.75q	1	345,000
Do., pref.	.75q	1	194,889
Toronto Elevators, c.	1	7	52,318
Unit. Amuse., A, B.	.40s	29	32,331
Walkerville Brew.	.05	25	18,750
W'minster Paper	.25s	10	11,947
Weston, Geo., pref.	1.25q	1	21,875
Wood, A. & J., pfd.	1.75q	1	11,375
Zellers	.20q	1	25,000
Do., pref.	.37½q	1	11,250
Total			7,787,319
Mining Companies			
Hedley Mascot	.02q	15	45,282
Hollinger Cons.	.05	4	246,000
Do., extra	.05	4	246,000
Howey Gold	.02	1	100,000
Inter. Nickel, pfd.	†1.75q	1	483,486
Leitch Gold	.02q	15	57,000
Privateer Mine	.03q	10	73,622
Do., extra	.01	10	24,541
Proprietary Mines	*.20	5	199,060
San Antonio Gold	.07s	5	167,510
Do., extra	.03	5	71,790
Sullivan Cons.	.02½	15	100,000
Toburn Gold	.03q	22	55,500
Do., extra	.01	22	18,500
Total			1,188,291
Oil Companies			
Amalgamated Oils	▪*.04	15	60,000
Canadian Oil, c.	.12½q	15	17,971
Do., extra	.12½q	15	17,971
Commonw'th Pete.	.03	10	59,979
Commoil	.01	27	9,701
Total			165,622
Financial			
Can. Bk. of Commerce	2q	1	600,000
Can. For. Inv., c.	1.20	1	88,099
Can. Inv. Fd., sp. ord.	.04q	1	90,989
Can. Investors	.10	1	10,000
Commonw'th Inter.	.04q	15	6,197
Dominion Bank	2.50q	1	175,000
Imperial Bank	2.50q	1	175,000
Mtge. Corp. N. S.	1.25q	1	8,500
Royal Trust	.80q	1	80,000
Sherbrooke Trust	1.50q	1	4,500
United Corp., A	.37q	15	19,586
Total			1,257,871
Grand total			10,399,103

q—Quarterly. s—Semi-annually.
†Payable in U. S. funds.
▪Subject to approval of Foreign Exchange Control Board.
*Subject to approval of S.E.C.
*Initial.

International Nickel—A summary of third quarter portfolio changes by 28 U. S. investment trusts shows that three trusts sold 25,300 shares of this company's stock, while two trusts bought 500 shares, resulting in a net sale balance of 24,800 shares.

Significant Investors' Index Numbers

No. of Securities	Mach. and equip. 8	Pulp and paper 7	Milling 3	Oils 4	Textiles and clothing 10	Food and allied prod. 12	Beverages 7	Bldg., mater. 15	Power and traction 15	Banks 8	Total utilities 19	Total co's. 95
(Base 1935-39=100)												
1929-40:*												
High	345.7	564.5	322.3	212.5	168.2	123.2	163.1	202.1	297.5	160.9	329.3	180.5
Low	68.5	49.8	63.6	46.5	76.0	76.9	67.0	71.2	68.2	84.6	68.4	64.0
1941: Monthly Figures:												
Jan.	77.6	74.1	72.3	51.6	110.6	96.3	104.3	84.0	75.4	94.7	77.3	71.3
Feb.	72.9	63.8	69.5	48.7	105.0	90.1	96.6	77.3	68.8	90.9	71.3	66.5
Mar.	73.6	65.4	69.5	49.5	103.1	87.9	93.7	78.5	67.0	89.9	70.7	66.8
Apr.	73.2	63.9	68.6	49.4	101.3	88.6	88.1	77.8	62.2	89.7	68.2	65.8
May	71.8	59.7	63.4	51.3	97.4	88.6	82.8	74.4	60.3	88.3	65.2	63.9
June	72.0	59.5	67.5	48.0	101.1	90.1	87.3	74.9	62.0	89.0	67.1	64.0
July	76.3	66.1	67.5	48.4	105.7	90.5	94.3	77.8	65.3	89.7	70.6	67.5
Aug.	76.8	70.2	72.4	49.1	106.3	91.8	95.7	79.7	64.4	89.7	71.2	67.8
Weekly Figures:												
Sept. 4	78.4	78.1	72.8	49.0	107.1	92.6	101.2	81.5	67.3	90.2	73.9	69.2
Sept. 11	80.0	78.1	73.0	50.8	109.6	94.0	102.6	82.5	68.3	91.1	74.6	71.3
Sept. 18	82.5	81.5	75.4	54.3	109.7	94.5	105.2	84.1	70.4	91.7	76.2	73.1
Sept. 25	80.7	76.1	75.3	50.3	108.1	92.5	100.9	81.5	68.2	91.8	73.5	70.1
Oct. 2	80.7	78.6	78.8	52.3	107.4	93.1	102.3	82.4	69.6	91.3	75.5	71.2
Oct. 9	78.5	74.5	75.9	51.3	104.5	92.1	99.4	80.0	67.3	91.0	72.9	69.5
Oct. 16	77.6	75.1	75.9	50.7	104.7	91.0	97.3	78.5	67.6	90.4	72.7	68.5
Oct. 23	78.4	75.9	71.1	51.0	105.8	92.4	99.1	78.9	67.8	90.9	72.7	69.3
Oct. 30	78.6	76.3	75.0	51.6	107.7	92.2	99.1	78.3	65.9	90.9	71.6	68.9

*High and low for year from 1929 to 1940 inclusive are based on weekly figures issued by Dominion Bureau of Statistics. For 1929 to 1938 inclusive the base is 1926=100; for 1939 and subsequent years the base is 1935-39=100.

Toronto Stock Exchange Index

	20 Indust.	20 Golds	10 B.M.	15 W.O.
Nov. 4	93.82	91.57	68.59	18.31
Nov. 3	94.04	91.32	68.46	18.45
Nov. 1	93.62	91.29	68.42	18.46
Oct. 31	93.29	91.42	68.56	18.56
Oct. 30	93.47	92.43	69.05	18.59
Oct. 29	93.73	93.31	69.12	18.61
Month ago	97.49	100.21	72.08	20.00
Year ago	103.34	104.87	70.05	22.37
High 1941	103.48	109.76	75.30	21.62
Low 1941	85.87	90.71	59.30	16.73

Montreal Stock Exchange Averages

	10 Util	20 Ind.	30 Chd.	10 Pprs.	15 Golds
Nov. 4	44.0	60.3	54.9	79.39	61.97
Nov. 3	44.3	60.5	55.1	79.39	62.14
Nov. 1	44.3	60.7	55.2	78.43	62.56
Oct. 31	44.5	60.8	55.4	78.96	62.73
Oct. 30	44.6	61.2	55.6	79.65	64.69
Oct. 29	44.4	61.2	55.6	81.03	64.78
Month ago	48.0	63.8	58.5	82.64	72.33
Year ago	55.9	69.3	64.8	88.75	75.01
High 1941	54.3	66.6	62.3	88.90	79.99
Low 1941	42.1	52.3	40.3	58.96	62.14

New Blast Furnace Aid to Steel of Canada Output

From Our Own Correspondent

MONTREAL.—Steel Co. of Canada brought into operation on Sept. 13 last its new blast furnace, constructed under an agreement with the Dominion Government, according to an announcement of Ross H. McMaster, president of the company.

Operating results have been excellent, he added, and as the new furnace is the largest in Canada, with a rated daily capacity of 850 tons, it will prove "of timely aid in adding to the country's output of pig iron."

Production of steel ingots by Steel Co. of Canada continues at an annual rate double prewar peak figures. It is insufficient, however, to satisfy the demands for steel in the various forms manufactured by the company. As a consequence the company reports the accumulation of unfilled orders is greater than ever before.

Expansion in basic steel operations, Mr. McMaster points out, has involved expenditures of an important character to provide ancillary services such as increased motive power, extended facilities for mold preparation, chipping and scarfing, fuel oil storage, as well as additional finishing machinery.

In spite of delays in delivery of essential equipment the company's wholly owned subsidiary, Ontario Forgings Ltd., is gradually reaching the anticipated daily production of 5.5 and 4.5 shell forgings. Operations started in June and have been improving steadily.

Shore Heads Ontario Dailies

New officers of the Ontario Provincial Daily Newspapers' Association elected at the annual meeting last week are as follows:

H. J. SHORE, business manager of the Welland-Port Colborne Tribune, president.

R. H THOMSON, pres. of the Timmins Press, vice-president.

MISS IRENE COX, of the Peterborough Examiner, secretary-treasurer.

Directors are:

J. H. JOHNSON, Brantford Expositor;
C. J. McTAVISH, Owen Sound Sun-Times;
ARTHUR L. DAVIES, Kingston Whig-Standard;
H. L. GARNER, Peterborough Examiner;
ALLAN B. HOLMES, Galt Reporter;
W. E. MASON, Sudbury Star;
ARTHUR ALLOWAY, Oshawa Times;
W. L. AGNEW, St. Thomas Times-Journal;
T. H. KAY, Kitchener Record.

Weekly Record of Financing in Canada

SALES BY MUNICIPALITIES, PROVINCIAL AND DOMINION GOVERNMENTS

Municipal—	Date Issued	Sold to	Rate	Due	Amount	Price	Yield
East Angus, P.Q.	Oct.	Savard, Hodgson & Co., Banque Can. Nationale	4%	1942-61	$90,000	98.77	.....
Drummondville, P.Q.	Oct.	A. E. Ames & Co.	4%	1942-61	21,000	100.16	.....
			4%	1942-51	10,000		
Parish of St. Colomb de Sillery, P.Q.	Oct.	L. G. Beaubien & Co.	4%	1942-61	68,900	98.10	.....
Twp. of Crowland, Ont.	Oct.	Bank of Toronto	4%	10-yr.	71,392	104.106	3.20%
Hull, P.Q.	Nov.	A. E. Ames & Co.	3¾%	10-yr.	137,000	99.52	.....
Dominion—							
Canada Treasury Bills	Oct.		....	Jan. 30, '42	45,000,000	98.864	.546%

OFFERINGS OF CORPORATIONS AND FOREIGN SECURITIES

Stock Issues—	Date Issued	Offered by	Rate	Class	Amount	Price	Yield
Caldwell Linen Mills	Oct.	Wood, Gundy & Co.	....	1st Pref.	15,000 shs.	*$25	.....

*And accrued dividends, with a bonus of ¼ second pref. share.

THE INVESTMENT HOUSE IN WARTIME

WAR LOANS

SINCE September, 1939, War Loans totalling $1,415,945,700 have been floated in Canada. Wartime financing on this vast scale is a credit not only to Canadian investors but also to the organization and planning which is essential to the successful flotation of large loans.

In undertaking financing of this nature the Government draws heavily on the extensive facilities and experience of investment houses. The economical distribution of securities is one of the functions of an investment house; the technical knowledge and trained personnel afforded by the co-operation of these houses constitutes a vitally important asset in wartime financing.

This House has been closely associated with the distribution of Canada's War Loans, and affords investors complete facilities for the buying and selling of Government Bonds.

VICTORY LOAN - 1941

Bought and Sold

NESBITT, THOMSON & COMPANY, LIMITED

355 St. James Street West, Montreal

Branches in the principal cities of Canada

201A

Hydro-Electric Power—

Power is a fundamental requirement of the present era. It is the driving force behind industry and industrial development. It drives transportation systems, the machinery in our factories and mines. It lights our cities and homes. Demand for power in Canada has continuously developed from —

5,800 millions k.w.h. in 1920
18,000 millions k.w.h. in 1930
30,000 millions k.w.h. in 1940

and the demand is still increasing.

St. Maurice Power Corporation has an installed capacity of 178,000 h.p. and potential capacity of 267,000 h.p., strategically located, convenient to the largest power consuming area in Canada.

The Shawinigan Water & Power Company owns one-half of all the Common Shares of the Company, and operates it under agreement.

A yield of 5% is obtainable on St. Maurice Power Corporation Second Mortgage Sinking Fund Bonds due August 1st, 1956 at 100.00 and accrued interest.

"A Shawinigan operated Company"

Write for descriptive circular.

36 King Street West
Toronto
Telephone: Elgin 4321

Wood, Gundy & Company
Limited

A growing savings account reinforces your country's effort toward victory.

We've got to pay for the war and a savings account helps to do that because it enables you to accumulate funds for taxes, for Victory Bonds and for War Savings Certificates. It also provides for emergencies for yourself and your family. Open a Savings Account.

It's not only wise to be thrifty—it's urgent.

To Save is Practical Patriotism

THE CHARTERED BANKS OF CANADA

Classified Advertisements

Classified ads. cost 4c. per word and figure for each insertion. Minimum ad. 12 words. Add six words when box number is required. When replies are to be mailed to advertiser, add 10c. Classified ads. payable in advance. Contract rates on application.

POSITION WANTED

COMPTROLLER-SUPERVISOR, experienced, competent, and constructive. Performance references will be banking, industrial and accounting. Bond supplied. Part time by arrangement. Toronto only. Box 174, The Financial Post, Toronto, Ont.

PLYWOOD

FOR wall panelling, furniture, etc., in standard sizes and cut to order. Ping Pong Tennis Tables. The Plywood Shop, Yonge St., Adelaide 1530, Toronto.

PHOTOSTAT PRINTS
Commercial Photoprints Limited
24 Adelaide St. W., Toronto
AD. 3441

HOWEVER YOU TRAVEL . . .
CARRY YOUR MONEY SAFELY
Canadian Pacific Express
TRAVELLERS CHEQUES

Envelopes
for every purpose
Barber-Ellis of Canada, Limited
TORONTO - BRANTFORD
BRANCHES FROM COAST TO COAST

Many smart and distinctive fabrics have now arrived for Fall and Winter wear. Overcoatings — Suitings — Materials for Sport Wear — Evening and Day Dress.

May we have the pleasure of showing you these importations?

Levy Bros.
KING STREET WEST, TORONTO

Bond Sales

East Angus, Que.

Savard, Hodgson & Co., and Banque Canadienne Nationale, Montreal, have purchased $90,000 of 20-year serial debentures of East Angus, Quebec. The loan carries a coupon of 4%, and was the unissued balance of a 1931 authorization. Bid price was 98.77. The debentures are dated Nov. 1, 1941.

Other tenders received by the municipality were:

L. G. Beaubien / Rene T. Leclerc	96.10
Dominion Securities	96.58

Bond Markets

Strength Returns to Secondary Issues

Vickers Bonds Gain 12 Points in Two Weeks—Algoma Plan Criticized from Viewpoint of Holders of Railroad Bonds

Reappearance of strength in the more sensitive bond prices in the past week may be an indication that the upward trend of these securities has been again resumed. The preceding week also showed a considerable degree of scattered strength.

Canadian Vickers 6% bonds of 1947 had gained six points by the end of last week and tacked on another six points by midweek, bringing the bid price to 93. Most reliable explanation of the jump in Vickers appears to be the recent large government orders placed with the firm, although at the start of the rise there were unconfirmed rumors that government ownership was in the wind and that the bonds would be redeemed as in the case of the Dufferin Paving obligations.

Algoma Trouble

Difficulties of transatlantic investment have been coming to the fore recently. Last week, The Financial Post reported the complaints of British investors regarding the Montreal city reorganization plan. This week, Canadian opposition to the Algoma Central & Hudson Bay arrangement is becoming evident.

Objections of Canadians include the point that the Algoma meeting is to be held in London on Nov. 20, and that representatives of the Canadian bondholders could not be appointed or reach the meeting in the month's notice given. It is also pointed out that bondholders of the Railway company and the Terminals company are represented by the same protective committees. There are two committees, but members are identical.

Disregarding other points at issue, the claim that the members of these committees can only properly represent one side of the case seems well founded. Investment men can recall no other instance where the same committee is called on to represent conflicting interests.

* * *

Is Liquidation Better?

Other suggestions concern the boats owned by the railway company. It is believed that in these days of scarce shipping these vessels could be sold for a substantial sum, a figure as high as $10 millions for the five vessels having been mentioned. This point of view lacks any official confirmation but has some support from recent shipping transactions. If anything even approaching this figure could be realized, the railway could pay off the $1.8 millions of accrued rentals owed to its subsidiary, Algoma Central Terminals, and still have substantial sums on hand for the $10.3 millions of its own bonds outstanding.

It is pointed out that the Terminal bonds have risen to above par in the past month or two on the London Stock Exchange from a price of between 25 and 30 at the beginning of the year before the arrangement was announced. By June, the Terminal bonds were 70 bid, by September they had reached a high of 103. The bondholders meeting was announced in mid-October.

If it be true that the Railway properties are worth anything like $10 millions in the present market, it would appear there is ground for questioning the proposed plan. Under the plan, holders of the Terminal bonds will receive interest, plus interest on arrears of interest, which will make a total of 7¼% per annum. The Terminals bonds can be redeemed on the open market or called at 125% of face. Eventually, if good earning conditions continue, the Railway would in this way become the sole owning interest of both properties, since it already owns the entire common stock of the Terminals company.

* * *

Cut Terminal Arrears

From the point of view of the Terminals bondholder, the deal seems generous enough. Terminal bonds carry interest arrears of 54½%, but under the plan, instead of receiving 154½% of face value, early redemption will only bring them 125% of the face. By continuing to lease their property to the railway which is regarded as vital to the railway earnings, they allow the parent company to continue to receive any surplus above rental payments and operating costs; in effect to receive the equity earnings. Ultimately, under favorable operating conditions, the railway would become the owner of an unencumbered property.

Right of the terminal bondholders to a more favorable deal in the arrangement is not questioned by the critics. The point that is bringing most criticism in Canada is whether the deal should be signed without adequate Canadian personal representation at the discussion. The second point is whether railway bondholders would not be better off by liquidating their property than by waiting an indefinite period while the liability to Terminal bondholders is paid off.

In view of the fact that the railway has only been able to earn terminal rental once since 1934, it seems reasonable that the payments must and can only be repaid under peak earning conditions such as have been brought by the war.

Silk Substitutes Good to Year End

Nine Canadian textile men, forming the Silk Substitutes Advisory Committee, have reported to Ottawa that adequate supplies of rayon, lisle and similar raw materials appear to be available to meet all requirements here until the end of 1941.

Making up the Committee, which co-operates with Alan H. Williamson, controller of supplies, in effecting an equitable distribution of silk substitutes are: J. G. Dodd, Dominion Textile Co., chairman; W. A. Kennedy, W. J. Westaway Co.; R. A. Weaver, Butterfly Hosiery Co.; M. H. Epstein, Ontario Silknit Ltd.; W. P. MacDougall, Belding-Corticelli Ltd.; C. W. Palmer, Canadian Celanese Ltd.; E. Collette, Associated Textiles of Canada Ltd.; B. Taylor, Courtaulds (Canada) Ltd.; R. H. Hommel, Mercury Mills Ltd.

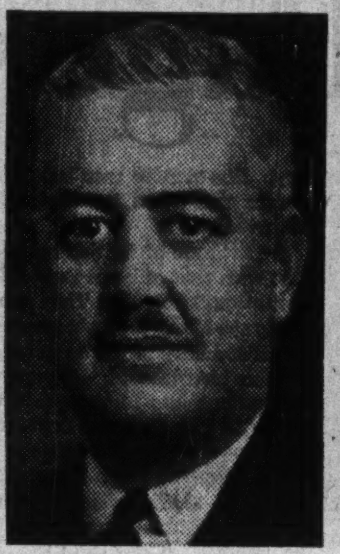
Canadian Oil Pays Bonus and Extra

Canadian Oil Companies, Ltd., has declared a bonus of 20 cents a share on its common stock, payable Dec. 15, 1941, to shareholders of record Dec. 1. The regular quarterly dividend on the common of 12½ cents, plus the customary extra of 12½ cents a share, will be paid Nov. 15 to shareholders of record Nov. 1, making a total of 45 cents a share to be paid before the end of this year.

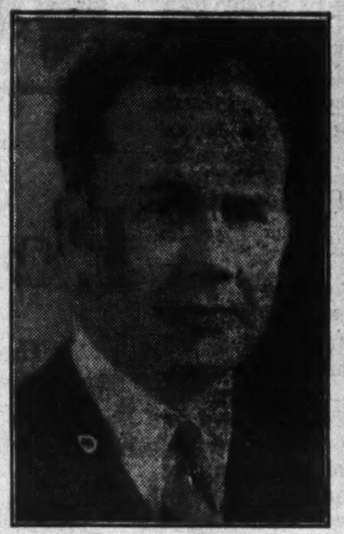
These declarations bring total payments on the common shares for this year to $1.20 a share as compared with $1 for the past two years.

These Are New Chiefs of Investment Dealers

—Milne Studios Ltd.
H. E. Cochran


—Milne Studios Ltd.
A. G. A. Spence

R. A. Gray


J. A. McMahon

H. N. Stanbury

Critical problems facing the investment business in wartime will be discussed and officers elected for the coming year at the annual meeting of the Investment Dealers Association of Canada, being held at the Seigniory Club on Nov. 6 and 7. This meeting would ordinarily have been held in June but because of the Victory Loan this year, it was postponed. Annual dinner is being addressed by G. W. Spinney, joint general manager of the Bank of Montreal and chairman of the National War Finance Committee. Officers being elected for the coming year are:

RALPH D. BAKER, James Richardson & Sons, Winnipeg, honorary president.

K. M. PRINGLE, Dominion Securities Corp., Toronto, honorary vice-president.

H. E. COCHRAN, Cochran, Murray & Co., Toronto, president.

H. N. STANBURY, Stanbury & Co., Halifax, vice-president and chairman, Maritime District.

W. T. K. COLLIER, Collier, Norris & Henderson, Montreal, vice-president and chairman, Eastern District.

A. G. A. SPENCE, Mills, Spence & Co., Toronto, vice-president and chairman, Central District.

R. A. GRAY, James Richardson & Sons, Winnipeg, vice-president and chairman, Western District.

J. A. McMAHON, McMahon & Burns Ltd., Vancouver, vice-president and chairman, Pacific District.

Laud MacLean Founder For Service to Canada

Association of Canadian Advertisers Presents Lieut.-Col. J. B. Maclean With Medal at the Annual Meeting

The Association of Canadian Advertisers has awarded the silver medal "for distinguished service to advertising by a media executive" to Lieutenant-Colonel John Bayne Maclean, chairman of the board and founder of The MacLean Publishing Co. Ltd.

In presenting the silver medal to Col. Maclean at the association's dinner, H. H. Rimmer, chairman of the ten-man awards jury, said:

"Canada is proud of its publishers and of none more than the one we have the privilege of honoring tonight.

"In the 54 years which he has devoted to the building of his organization, this man through progressive policies of development has created a business of 28 publications with over 700,000 readers — periodicals which before the war were read in a great many foreign countries providing business to Canadian advertisers from all parts of the globe.

"Needless to say, I am referring to Lt.-Col. John Bayne Maclean.

"Starting over half a century ago in the business paper field, Col. Maclean made such a good job of editing The Canadian Grocer that newspapers across the country helped him to build circulation because they realized that the editorial content of this paper made better businessmen of their customers.

"A few years later he followed with the launching of Hardware and Metal. This was followed among many others by The Financial Post, The Dry Goods Review, Maclean's Magazine, Chatelaine.

"The policy of Col. Maclean could be described as a supporter of Confederation principles—just as the Confederation Act provided a basis for the development of national unity, in like manner his many publications provide leadership for the promotion of common interests.

"Through these publications Col. Maclean has consistently fought for those things which promote leadership, goodwill, prosperity and happiness to the peoples of the Dominion, and above all he has provided for Canadian business a group of readable publications in which it may convey to potential customers its advertising messages.

"Col. Maclean, in the building of his organization, has played no favorites, he has strived to serve Canada by aggressively supporting any move for better understanding, unity, and honest government, particularly through the great fields of commerce and industry. He has aimed to help Canada by making Canadians more successful in their undertakings by demonstrating how they can produce things of the highest quality at the lowest cost, and how they can satisfy the buyer. All this in turn has helped to develop Canada into a great industrial nation.

"I present to you Lt.-Col. John Bayne Maclean, V.D., LL.D., the guiding spirit of The MacLean Publishing Co. Ltd. and the publisher whom the 1941 awards jury has selected as wothy of the award for an outstanding contribution to Canadian advertising."

B. C.'s Vegetable Marketing Subject of Investigation

From Our Own Correspondent

VANCOUVER.—Operations of the much criticized B. C. coast vegetable marketing board, product of the provincial government's experiment in controlled marketing, are now being explored by a Royal Commission headed by Judge A. M. Harper.

One of its most interesting "finds" so far has been in connection with a report prepared a year ago by J. V. Clyne which until now has been withheld from publication by the board, despite repeated demands by growers for revelation of its contents.

This report charges many irregularities in the operations of the board and petty thievery of potato growers' products.

One of Mr. Clyne's findings was that seizure of potatoes under regulation of the board could not be upheld in a court of law. This opinion has since been confirmed in the Vancouver police court.

The report states that insufficient care was shown of the growers' produce while in the custody of the agency appointed by the board, and that employees of the agency pilfered seized potatoes, regarding them as "fair game."

It is also charged that there was manipulation of produce as between the domestic and export markets to the disadvantage of some of the growers and in violation of the law, and that the agency sometimes sold below the set price.

Market Opinions

Tendency for students of stock markets to suggest cautious purchasing on further declines is becoming evident.

Magazine of Wall Street, N.Y.—We believe additional decline, if any, in the general market level would be moderate. Therefore, we favor selective purchases in any near-by periods of softness, but see no reason to reach for stocks on rallies.

* * *

Barron's, N.Y. (The Trader) — Slow sag of stocks has had none of the earmarks of an impending wave of serious liquidation. The great body of stocks has ignored the occasional instances of marked unsettlement. Heaviness of a few seasoned issues has flowed from tax selling or from the attempt to make adjustment to a war economy, the gravity of which may well be exaggerated. Latest evidence in nowise disproves the theory that stocks are in a broad, though possibly tedious, area of accumulation.

* * *

Barrons, N.Y. (The Dow Theorist) —With the Dow-Jones industrial share average at a new low for the decline which began at the end of July, the rails are holding above their Oct. 16 close. If they continue to hold and the market gets duller, opportunity may be provided for attractive purchases. In any case the end of the decline is probably getting nearer, at least in point of time, as it has lasted 14 weeks already.

* * *

Financial World, N.Y. — The weight of probability at the present time appears toward the establishment of another price base, perhaps not far from current levels, from which a significant rise could develop upon the passing of some of the uncertainties now receiving so much attention. But in the meantime there is no sound reason for accumulating idle cash in exchange for good stocks which are capitalizing current and prospective earnings at ridiculously low ratios, and which are affording the most liberal yields that have been seen since 1933.

FENNELL, PORTER & DAVIS
ROBERT FENNELL, K.C. DANA H. PORTER
BRUCE P. DAVIS
BARRISTERS, SOLICITORS
Telephones ADelaide 7382-7383-7384
CABLE ADDRESS, "THIMSON."
TORONTO CANADA

Plenty of Time to Enter Life Insurance Contest

Entries for The Financial Post Insurance Contest have been coming in in good volume but there is still plenty of time for contestants to prepare and submit a programme for one or more of the cases presented in the contest announcement.

An intending contestant this week enquired how much additional detail could be added to those given in each case to make a more complete programme. The answer was that the contestant must use his own judgment in rounding out the picture, always keeping in mind that in judging the articles, emphasis will be laid on the general interest of the programme submitted for the broad income group, as well as its financial soundness.

Four prizes have been offered. The first prize of $100 will be awarded for the best article on any one of the four problems submitted. A prize of $50 will be awarded for the best article on each of the other three problems. Details of the contest, which closes Nov. 22, will be found in an announcement on page 14.

Succession Duty Valuations

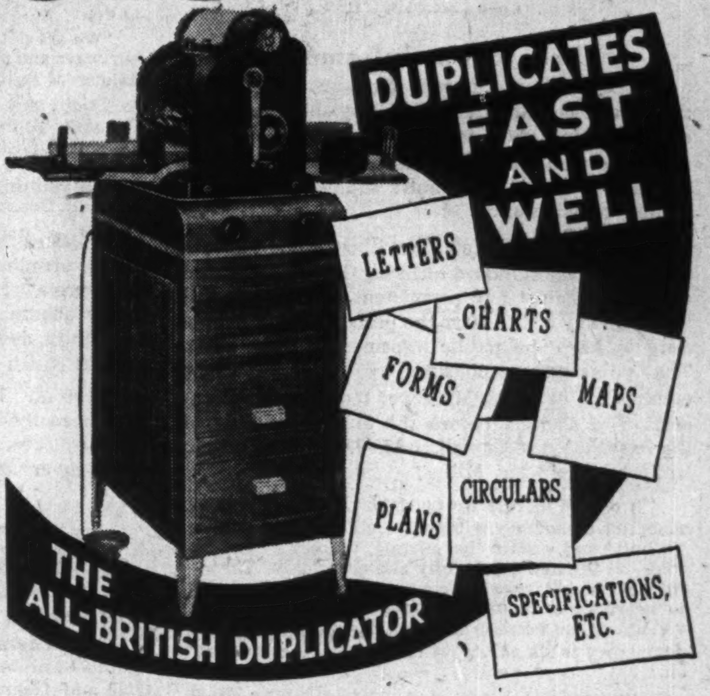
. . . required by executors, as at the close of business on any given day, will be furnished promptly on all listed and unlisted stocks and bonds. We are equipped to give you statistical information and, if required, an opinion of the marketability and outlook of any issue.

PLAXTON, CHERRY & CO.
330 Bay Street Toronto
AD. 5801

POSITION DESIRED AS COMPTROLLER, TREASURER, OR MANAGER

Able, experienced executive seeks new responsibilities with organization offering opportunity to demonstrate capacity and ability. Over 20 years banking and industrial experience and in engineering and production costs and budget control. Chartered Accountant. Earnest, hard worker who can co-operate and "fit in." Box 176, The Financial Post, Toronto.

GESTETNER



Leads the field for speed, accuracy, clean impressions and all-round convenience. Saves time and money for business organizations and institutions of every kind and size, where the duplication of any sort of document is needed.

Ask us to send a Gestetner duplicating expert to study your special duplicating problems. No charge or obligation involved.

D. GESTETNER (CANADA) LIMITED
117 King Street W. — TORONTO
Factory Branches in all leading cities.

Count the Dollars You'll Save With 25 to 30 Miles a Gallon!

IMPORTANT! You can still buy a Nash for only 50% down, balance in 18 months—your present car may cover, or will apply at full trade-in value, on the down payment.

This Big Nash in the Lowest-Price Field
—also saves on oil, tires, and upkeep every mile you drive!
—it's a New Kind of Car—the answer to today's rising motoring costs.

WANT TO cut your driving costs? This "Million Dollar Beauty" will show you how! It's the 1942 Nash.

Big as it is, it delivers 25 to 30 miles on a gallon of gasoline—or as much as 600 miles on a tankful—at highway speed!

Not even last year's sensational Nash can match it—in economy, in steering and *parking* ease, pick-up or performance.

• You get the smoothest ride in the lowest-price field — with Nash's new, exclusive Four-wheel Coil Springs. *Plus* Two-way Roller-Steering, new welded body and frame construction.

Any way you compare this Nash—for reliability, ride, or miles per gallon, you'll find it's by far the best buy! The *finest* Nash ever built — deliberately planned to be the most sought-after automobile in America!

See your Nash dealer today and drive this money-saving "Million Dollar Beauty."

3 GREAT SERIES —15 BRILLIANT MODELS

In addition to the amazing new Nash Ambassador "600" you'll also want to see the famous Nash Ambassador Sixes and Eights that are greater than ever this year. New engine development makes them even more brilliant performers. They're still in the low- and medium-price fields!

Dealer Adv.

SEE YOUR NEAREST NASH DEALER

NASH
Three New Series of Fine Motor Cars
SIXES AND EIGHTS

Windsor's Not Worrying!

A ceiling on wages, and commodities! Why, that's right down our alley!

Windsor industrial workers get $12.43 a week MORE in their pay envelopes than the average for industrial workers in Canada, according to the Dominion Bureau of Statistics, May 1941.

With the cost of living more or less fixed, this extra money will enable our people to live well.

Windsor will continue to be Canada's best market . . . credit restrictions notwithstanding. Windsor people CAN lay it on the line when they buy!

"Canada's Best-Read Newspaper"

The Windsor Daily Star

OVER 49,000 DAILY

6 Editions Blanket Windsor, Chatham, Sarnia Areas

The Editorial Page . .

Centralize War Orders

Canada's war effort judged by the value of contracts let by the Department of Munitions and Supply is a stupendous one. However, the letting of contracts is simply the first stage in making available the needed materials and goods. That is a fact which the public often is too inclined to overlook. The stress laid upon the dollar value of these orders had tended to create a complacency in our war effort which is not always backed by performance. In these days the only thing that counts is having the guns, ships, butter, bacon and other essential goods available as and when needed and not just so many orders on the books.

Canada does not need to apologize for the job she has done to date. On the other hand we should not delude ourselves into believing that we have accomplished the maximum. There are sticky spots in our production programme, virtual bottlenecks. The slowness, where it exists, is due mainly to the machinery which the government has set up to handle contracts.

The need for centralization of all production work is just as urgent today as ever it was. Splitting up the job without any central co-ordinating force such as one gets in private business, has been the cause of much expense and, more important, delay. Certain features of our war effort are far behind schedule. The fault is not that of industry or the worker. The trouble invariably can be traced to a dispersion of governmental authority. The longer this war goes on, the clearer it becomes that what the country needs to make the war effort most effective is the application of centralized authority to overcome difficulties holding up the completion of war contracts.

Keep Public Informed

Up against a ruthless dictator like Hitler, democratic countries are forced by sheer necessity of self-preservation to take certain actions that normally would be unthinkable. Our industrial forces and our citizens must submit to unprecedented regimentation.

We cannot crush Naziism without some violence to our pre-war standard of living. But to safeguard ourselves against any permanent adoption of this wartime way of life after the peace, it is our simple duty to keep the public informed of these steps. That point was emphasized as it deserves to be emphasized by A. M. Miller, of the Chrysler Corporation of Canada before the annual meeting of the Association of Canadian Advertisers in Toronto last week. Said Mr. Miller:

"The high morale we need for victory is impossible in a democracy without a well-informed public. To build and sustain that morale, the news must be told—all the news, faithfully and accurately. Therefore, every dollar we can conserve out of our budgets to be spent in actual purchase of space will be a victory dollar because the peculiar strength of our democracy is its ability to face the facts and carry on."

Hitler, of course, has never followed this policy, and no one expected him to do so because our way is that of a democracy and the world well knows what the Austrian paperhanger thinks of that enlightened creed.

Choosing the Labor Board

One unsatisfactory feature of the new wage control programme is the provision for choosing members of the National Board.

The plan outlined is that there shall be an independent chairman chosen by the government (Hon. Norman Lambert is said to have been named for this job).

The chairman is to be surrounded by an 8-man board chosen from panels submitted to the government by the National Labor Supply Board.

One panel is to have four or more persons representing employers. The other panel is to have a similar number representing employees.

Experience in England and elsewhere suggests that there is little strength and effectiveness in such a board.

Men chosen in this way are at an immediate disadvantage. They feel instinctively they must represent the "employer" or the "employee" interest whether or not their best judgment agrees with a particular policy or not. Invariably the chairman is in the position of casting a deciding vote to break the deadlock. He must try to be impartial and judicial as between two supposedly opposing factions.

This, as often as not, is a superficial relationship. As well, it often overlooks entirely the interest of the "man in the street."

It would be wiser if the government, after obtaining the strongest possible nomination for the difficult and exacting task of chairman, were to permit industry and labor to nominate perhaps one or two representatives and were then to add to the board several persons who have no "axe" to grind but whose judgment and competence would warrant their inclusion in such a board.

"We Are Beaten, Unless . . ."

G. Herbert Lash, Canada's Director of Public Information, has made but two public addresses in his life. The second was made at Galt, his home town, last week. It is as forthright and penetrating a speech as has been heard in Canada since the war began. Here are a few excerpts:

"Public Information has done some useful things but like a number of other war departments it is so entailed in the meshes of the red tape of an archaic system of government that the things it has been able to do are not, in the opinion of those who work there, as important as the things it might have been doing and which we hope we still may be able to do.

"We are not winning the war . . . unless we mend our ways and mend them soon . . . we are in dreadful danger of losing this war.

"Right now somewhere in the English skies some Canadian youngster is fighting for his life and mine. Do you think he gives a tinker's dam whether I am a Protestant, a Roman Catholic or a Mohammedan?

"Do you think it matters to them whether we are Liberals, Conservatives or of any other political ilk?"

Mr. Lash directed his speech to individual Canadians, pleading with them to rid their souls and consciences of selfishness, petty jealousies and family quarrels, and urging the need for selflessness, unity, devotion and an awareness of the great peril in which we stand.

What Mr. Lash did not say but what would have been the grave and sober truth is that most Canadians are, for all their shortcomings, far ahead of the government of the day in this vital respect.

The Montreal Plan

Opposition developing in Great Britain to the proposed plan of refunding Montreal's debt appears to be based on lack of knowledge of the situation. British holders of Montreal bonds are reported unable to understand why Canada's largest industrial and financial centre should have to seek a compromise with its creditors at a time when business activity is soaring to record levels. Mention has been made of the fact that Canada is building up large sterling balances and it has been suggested that Montreal should "invite and obtain assistance from the Dominion government."

These last two points indicate a lack of understanding of the governmental structure in Canada. The large sterling balances being built up by the Dominion government have nothing to do with Montreal's ability to service its debt. Furthermore, there is no reason why the Dominion should go to the assistance of Montreal. In fact, there are excellent reasons why it should not do so. Financial aid to Montreal by the Dominion would establish a bad precedent. And, it should be remembered that municipalities are the creatures of the provinces and not of the Dominion.

It is a matter of regret that Montreal finds it necessary to seek a compromise with its creditors, but it has been obvious for years that some adjustment in the city's debt structure would be necessary. The matter was brought to a head sixteen months ago when the city defaulted on principal maturities.

The attitude of British holders is in striking contrast with that of large Canadian and United States institutional holders. They are as anxious as anyone to see Montreal meet its contractual obligations in full and have no desire to take unnecessary losses on their investments. However, after extensive investigations into Montreal's financial position and ability to pay they are convinced that concessions on the part of bondholders are unavoidable.

The proposed plan is sponsored by the Quebec Municipal Commission, which has an excellent record in adjusting municipal defaults. It also has the approval of the Montreal Debenture Holders Committee which includes representatives of large British, Canadian and U. S. institutional holders.

There are bound to be objections to any plan of adjustment, especially as equity between all classes of bondholders is impossible of achievement. Generally speaking, however, the proposed plan for Montreal appears fair and the loss in income to debenture holders will not be substantial. Montreal finances have been in a chaotic condition for some years and restoration of financial stability is in the interests of not only the city itself, but also the holders of its debentures.

Price Freezing Problem

One of the anomalies in the price ceiling legislation now in process of crystallization is the position of the Wartime Prices and Trade Board.

This board has consistently opposed overall price ceilings, largely on the grounds that they cannot be reconciled with imports from price-free countries, or exports which have to compete in price-free countries. It was argued that a policy of quick-freezing prices in Canada could not be maintained if prices remained unfrozen in United States.

There is no indication that the Canadian government had any recent information from Washington that this difficulty had been suddenly overcome. The overnight Canadian action appears to have come as a complete surprise to Washington. Mr. King's pronouncements were no sooner made than Mr. Roosevelt dispatched a committee of experts, including Leon Henderson, to Ottawa to study the new development at first hand. The Canadian policy is admittedly a blow at the price policy of this same Mr. Henderson.

Now, the Wartime Prices and Trade Board are being given the task of administering the very policy it has opposed since the war's outbreak.

This is not the sort of background which results in efficient administration.

Editorials in Brief

Here is a new one in connection with hemispheric defense: the American government has distributed to Canadian railways transportation warrants which read: "Good from Newfoundland all rail to any point in North America." All of which proves anything is possible these days, or perhaps the Gulf of St. Lawrence is expected to freeze solid enough for railroad travel this winter.

* * *

Over a million dollars was lost by American Telephone and Telegraph stockholders when they failed to exercise their rights in a recent debenture offering of the company. After the offer expired the company disposed of the unsold debentures on the open market at a windfall profit to itself. Had these investors been following the situation carefully in the financial press they would have realized that there was a market for the rights even if they did not wish or were unable to retain the new issue.

* * *

Restrictions on the output of non-war goods now simply means that we are developing a huge post-war backlog of deferred buying, hence the wisdom of the manufacturer who keeps his name before the public even though his current plant capacity may be entirely engaged in war work. J. A. MacLaren, speaking before the Association of Canadian Advertisers, phrased the situation neatly when he declared:

"To neglect advertising now would be comparable to leaving an efficient machine to rust during the winter."

KIBITZERS —Cartoon by Grassick

Post-Scripts . . . .

Unenviable Job

There will be few who will envy Edgar G. Burton his latest promotion. Last week the Wartime Prices and Trade Board appointed him Administrator of Retail Trade, in other words, kingpin of the new revolutionary experiment to freeze all prices in Canada for the duration. Even to a man who became general manager of Simpson's big Toronto store at the early age of 33, this is admittedly a tremendous job. But Ottawa, also admittedly, is getting an outstanding individual to handle it.

E. G. BURTON

Edgar Burton is described by one who knows him well as a fast thinker, yet not impulsive. He knows, it is said, how to accomplish a great deal of work in a short space of time. More important still, he has the knack of putting his finger on the core of any problem that may be confronting him.

To his new appointment at Ottawa Mr. Burton brings a very wide experience of merchandising not only gained in Canada but in Europe and the United States as well. His father wanted him to go in for law. And actually, after graduation from the University of Toronto, he embarked on such a career but a serious motor accident interfered.

During convalescence he began to think things over, decided that law was too uninteresting and that the merchandising field would suit him better. This settled, he went to Europe for seven months for special study, then for two years to the largest department store in Chicago. From there he came to Simpson's and in 1937 was appointed general manager of the Toronto store.

Edgar Burton is not a sportsman in the accepted sense of the word primarily because he never has had time enough for that sort of thing. He is, however, keen on riding and golf. Before the Air Force took over the Eglinton Hunt Club, he was a fairly familiar figure there. Another hobby is music but his motor accident ended his career as a violinist. That mishap, however, has not interfered with his continuous interest in youth organizations, particularly the Boy Scouts and the Neighborhood Worker's Bolton Camp.

In 1926 Mr. Burton married Miss Clayton Callaway and they have four children, two sons and two daughters.

* * *

Couzens Comes Back

Nineteen forty-one will be remembered by shareholders of Brazilian Traction as something of a banner year. During its course they have received the first dividend payment in three years. Brazil, with whose fortunes their own are inseparably linked has staged a dramatic comeback from the nearly disastrous wartime loss of its foreign trade. And in the recent election of Sir Herbert Couzens to the presidency they have found a skipper who has navigated some of the leading utility companies in three countries.

SIR HERBERT COUZENS

Sir Henry Herbert Couzens began the career that brought him to the head of a $458 million utility empire as an apprentice in mechanical and electrical engineering after leaving Taunton School in Devon. The "Public Electric Supply Works" of Taunton, Bristol, West Ham and Hampstead were the backgrounds for the application of this training, the latter two had H. H. Couzens as engineer and manager in charge.

From Britain, the road to Rio led through Canada. In 1913, Sir Herbert was appointed general manager of Toronto's young and growing Hydro-Electric System, and the next move came with his appointment as G. M. of the Toronto Transportation Commission.

For four years, H. H. Couzens handled the gigantic task of welding the various units of the Toronto tram and bus system into a smooth-running whole, and with the job well in hand he left to take over the management of Brazilian Traction's subsidiary companies at Rio de Janeiro.

The best record of what Sir Herbert achieved during the following twelve years is available to Canadians in the annual reports of Brazilian Traction. Total assets of the utility system rose from $264 millions to $416 millions. The values of plant and property more than doubled. The boom was followed by the depression and quotations on Brazilian stock rose to $82, fell to $7 but the fluctuations came from world upheaval, the orderly growth of the system, went ahead with hardly a flicker.

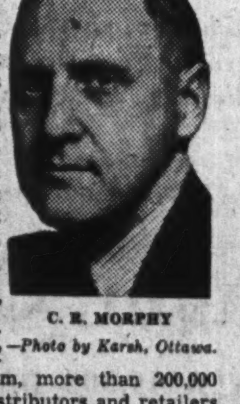
Meanwhile, Sir Herbert had been made a vice-president and director in 1926, titles which he retained when he moved to England in 1936. Followed four years of advisory service to the company from Britain and the order of K.B.E. in the Coronation honors of 1937. Although he continued to make occasional visits to Brazilian's head office, in Toronto, Sir Herbert's semi-retirement lasted until this year. Now, with his appointment to the presidency, he is back in full harness again, and once more a permanent resident of Toronto.

* * *

Biggest Mail Bag

In recent days, "Teck" Morphy has been rating top marks for the biggest daily mail bag in Canada.

His mail is arriving at the rate of 15,000 pieces a day. The count is now over the 100,000 mark. Eventually it will top the 200,000 mark —may even get as high as 500,000. There will certainly be a huge accumulation when he gets back from his present 10-day trip through western Canada.



C. R. MORPHY —Photo by Karsh, Ottawa.

C. R. "Teck" Morphy is Canada's Director of Licensing. To him, more than 200,000 manufacturers, distributors and retailers of food, feeds, clothing, millinery, footwear, furs, etc., are now returning applications for the license they must obtain by Dec. 1, in order to stay in business after that date.

It is more than likely that within a very short time Mr. Morphy's authority will be extended to license almost every business in Canada no matter what it sells or makes.

Mr. Morphy's real name is Cecil Rhodes. But around Ottawa where he has lived for 23 years, and before that in Listowel and through the Great War he has always been called Teck.

The nickname was self-styled.

As a wee lad he couldn't pronounce his own name properly but lisped "Teck" instead.

Licensing problems are no new thing to Mr. Morphy. He's been a licensing expert ever since the close of the last war when he became assistant chief of the Licensing Enforcement Section of Canada's Wartime Food Board under Food Adminstrator H. B. Thompson.

One interesting difference between licensing in this war and the last, is that today it is the proprietor person or corporation which is licensed. In the last war it was the premises.

Also, in 1918, there was a fee for each license depending on the size of business. The bigger your turnover, the larger your fee. In at least one year, the food administration showed a profit on operations.

Licensing, according to Mr. Morphy, is all a matter of "cut-offs."

Give Mr. Morphy a blanket order to license every business in Canada and he would be a lot happier, have far fewer worries than if he had to pick and choose a few thousand here and a few thousand there.

Once there are "cutoffs" the trouble begins.

No matter how carefully you define your field, it is almost impossible to draw a line which will stay put, says Mr. Morphy.

Mr. Morphy was born in Listowel, son of a father who won fame (among other things) as an international cricketer. He joined the Bank of Montreal after university then almost immediately went overseas with a Guelph Battery in the spring of 1915. He was just 20. He won his commission and later was invalided home.

After his Food Board experience in 1918, he stayed in the government service and found his way eventually to the Department of Customs and Excise where he handled licensing of business for sales and other taxes. He was for four years a member of Ottawa's famed "Minto Four" skating champions.

At the outbreak of this war he was seconded to the Prices Board. He looked after licensing of coal, hide and leather firms among other administrative jobs. When country-wide licensing was announced a few weeks ago he was the natural choice for handling the job.

"The question is not if it is really necessary for us to do more today. It is what more can we do today so that we have less to do and to sacrifice tomorrow."—*John G. Winant, United States Ambassador to Great Britain.*

* * *

"We, who saw the class struggle blind capitalist and labor to the fury of the gathering storm, know that both lost in their folly far more than either had ever hoped to gain."—*Ingvald Haugen, President of the Norwegian Seamen's Association.*

* * *

"Unter Den Linden, Berlin's historic boulevard, is one of a quarter mile in length. It has one hundred and fifty lamp-posts. If they are still standing when the forces of freedom have conquered, they might serve a useful purpose in ending for Adolf Hitler and his partners their bloody careers of crime, slaughter and oppression."—*Col. Henry Breckinridge, New York attorney before Toronto Academy of Dentistry.*

The Financial Post
Member Audit Bureau of Circulations
A weekly newspaper, presenting in a popular manner reliable information respecting investments, business and national affairs in Canada.
FLOYD S. CHALMERS, Editor
DOUGLAS M. GOWDY, Business Manager
Published by
The MacLean Publishing Co., Limited
481 University Avenue, Toronto 2.
JOHN BAYNE MACLEAN, Founder and Chairman.
HORACE T. HUNTER, President.
H. VICTOR TYRRELL, Vice-President and Managing Director.
Subscription Terms: Single copies, 10 cents. Yearly, in Canada, United States, Mexico and British Empire, $5; all other countries, $[illegible].
Advertising Rates: Single insertion, $4.20 per inch. Contract terms upon request.
Montreal: Dominion Square Building, Murray R. Chipman, Eastern Manager; John E. Langdon, Eastern Editor.
Ottawa: 260 Irving Ave. (Tel. 8-0847); Kenneth R. Wilson, Resident Correspondent.
New York: 522 Fifth Ave..
Chicago: 309 West Jackson Blvd.
London, England: Quadrant House, 55 Pall Mall, S.W.1.

Other People's Views . . . .

The Canadian Editorial of the Week

Canada Needed It

Toronto Telegram

It is worse than useless—it is dangerous—for Canadians to continue to live in the world of make-believe with regard to the war situation and Canada's part in it. Distance from the scene of conflict, an increase in the industrial tempo, and a sedulously cultivated fear that national unity would be endangered by policies which recognized the closeness of catastrophe to this country, have conspired to induce the belief that we are really doing very well, and that there is really nothing to fear from a war that must in time wear itself out.

Col. George A. Drew deserves the thanks of Canadians for the courage and force with which, in his speech to the Empire Club, he tore to shreds the comfortable indolence with which our position has been regarded. He brought on his return from Britain a realistic impression of what it is necessary for this country to do if Hitler is to be stopped, and he presented it with a refreshing candor and without any of that pussyfooting for party interest which has written Ichabod over the Ottawa scene.

The Telegram has on several instances differed sharply from the views of the Conservative provincial leader. We heartily agree with everything he has said in urging the imminent and essential importance of compulsory selective service for Canada's salvation. It cannot be too strongly borne in upon the Canadian people that we are engaged in a total war, a war that leaps national and natural boundaries with devastating swiftness, and that it is impossible to fight a total war without the adoption of policies which make use of total man-power and of all other resources available to the nation.

What the Papers Are Saying

Grand Opportunity

Winnipeg Tribune

From end to end of the country, not merely Conservatives, but Canadians of every political complexion are not merely ready for strong leadership, they are crying to high Heaven for it. Low as its fortunes may appear to be, there never was such a grand opportunity for national service staring the Conservative party in the face. Will the Conservatives grasp it?

* * *

The Conservative Party

Winnipeg Free Press

In the matter of policy, the Conservative party has shown distinct signs of progress in recent years, but it will presumably continue as the party with the more conservative general outlook. To take a position to the left of the Liberal party, while retaining its name, would make meaningless our party titles. The majority of Conservatives undoubtedly favor keeping to the right, but moving ahead with the times.

The distinction between the two old parties would be clearer if there were less compromise within the Liberal party, if it were more active in advancing liberal and progressive policies, and if it encouraged the right wing of the party to transfer to the Conservative party.

* * *

Just For Duration

Ottawa Journal

Mr. McLarty, the Minister of Labor, has told the Canadian people that "all the rights, terms and conditions" which Canadian Labor may surrender during the war will be returned when the war is over.

That is true also of many other rights which the people gladly give up to the Government—turn over in trust. The new control of wages and prices, the restrictions imposed on the people by the Defense of Canada regulations—all these will go when victory is won.

Actually we are not giving up any established rights: we are but voluntarily putting them in storage until a more convenient season for their exercise. Should Hitler win they never would come out of storage.

And that is the difference between a dictatorship and a democracy.

* * *

Duncan States the Case

Montreal Gazette

No clearer statement, no more persuasive plea has been made for immediate compulsory selective service than that voiced by James Stewart Duncan, president of the Massey-Harris Company Ltd. and former Deputy Minister of Defense for Air.

This conviction has long been urged upon the Government. May it heed this man who so recently was one of its most trusted servants.

* * *

Party Government Handicapped

Calgary Herald

There have been many and varied complaints voiced against the federal government's programme of price and wage fixing. This was to be expected although on the whole the Canadian people are prepared to give it a thorough trial and loyal support from the outset.

The government has displayed courage in introducing such a radical programme. It will require further courage in enforcing it against protests from a number of quarters and interested parties. It should display equal courage in dealing with the recruiting fizzle. The prime minister would find himself in a more unassailable position today were he head of a government of all parties and not a party administration.

Stop Me If . . . . .

The guide had been answering the fussy woman's questions for half an hour, and his patience was exhausted.

"How were these caves formed?" she asked.

"I wasn't alive then, madam," he replied, "but the story goes that a Scotsman dropped a sixpence down a rabbit hole."

As Others See Us

War Charities Hypocrisy

Brampton Conservator

A warning that should be heeded in every part of Ontario is given by The Financial Post, in its issue of last week, under the heading, "Take Hyprocrisy Out of War Charities." In many places concerts, dances, raffles, bingos, bridges are arranged with the alleged purpose of raising funds for one or other of the numerous war charities. Not infrequently expenses are incurred on such a generous scale that the net proceeds are small in proportion to the amounts contributed.

Here are a few examples furnished by The Post. "A series of concerts running from October, 1940, to April, 1941, collected from patrons $2,665 but reported net proceeds of only $770 or about 29 cents on the dollar. A light opera with receipts of $1,913 turned over only $135 to the war charity it was sponsoring. A group holding four dances, advertised as war charities, took in $301, and netted only $9. Scores of bridge parties, held ostensibly to supply comforts for the fighting forces, barely raised anything beyond expenses."

A step has been taken to reduce this practice of using worthy objects to promote interests of private individuals or of groups. Regulations recently passed provide that in no case shall expenses incurred exceed 25 per cent of the amounts collected. This is good.

* * *

Problem of Man Power

Brantford Expositor

When problems relating to national man power—and woman power—arise, clear appreciation is often obscured by emanations of what may be called "the 1914 mind." Outmoded notions thus frequently give rise to vociferous but equally out-moded opinions.

This does not detract from the fact that increasing attention must be given to the best possible adjustment of Canadian human resources to meet the needs of a modern war.

The Financial Post summarizes the case aptly when it says: "How to shift man power—and woman power—from peace to war jobs is in reality the core of all the problems with which the chiefs of the fighting services, the Minister of Finance, the Minister of Labor and the heads of war supply are wrestling today. They may speak of machine tools, factories, metals and dollars. But in the end all these things come down to the common denominator of men and women."

* * *

Sayings of the Week

"The British Isles are one vast arsenal."—*Colonel George A. Drew.*

* * *

"The finest prison is but a monument to neglected youth."—*Warden James A. Johnston, Alcatraz Penitentiary.*

* * *

"I hope I shall never be hated as Stalin hates Hitler."—*Harry L. Hopkins, President Roosevelt's special representative on recent Moscow missions.*

* * *

"It seems to me that the time has come, when the final step should be taken, without which a full national effort cannot be made—the enforcement of compulsory selective service." — *James S. Duncan, president Massey Harris Co. Ltd., and former Deputy Air Minister.*

* * *

"There will be a Russian line of resistance—a continuous line—in the field and intact—a year from today. I do not know where this line will be. Its exact point depends on many things beside the Russians."—*Ralph Ingersoll, editor, New York Newspaper PM.*

* * *

"I am not entirely satisfied with the contribution that the press of the country has made in support of the national wartime agricultural policy. In matters of agriculture, the daily press in particular, is too content to concern itself with the controversial rather than the constructive side."—*Dr. G. S. Barton, Dominion Deputy-Minister of Agriculture.*

Plywood—the Cellulose Cinderella

Former Step-child of Lumbering Becomes Big Industry

The dramatic change in the status of plywood, from cheap substitute to important commodity in its own right, is adding a big industry to Canada, particularly British Columbia.

Often referred to nowadays as British Columbia's fastest growing industry, the present status of plywood is considered something new. Principle of its manufacture, however, was known to the Ancient Egyptians, as is shown by the veneered mummy cases unearthed today.

Even before the war, and the consequent limitless demand for aircraft, plywood was finding a tremendous new market for itself. Fact that in addition to its peacetime uses, it is now being substituted for aluminum and other metals in aircraft production, enhances its importance to the Canadian.

Plywood once a lumberman's step-child today is a $5 millions industry in British Columbia. One plant alone is reported to be turning out daily enough of it to supply 33 planes. The industry is expanding fast, and in years ahead, the Canadian may well find plywood an increasingly vital part of his everyday life, whether or not he flies a plane.

Birch aircraft plywood, as made in British Columbia, is claimed to be stronger in relation to its weight than the strongest steel. Such a commodity has an obvious place in construction, and today houses, barns, silos, and even factories are using it as a substitute for lumber.

May Be Boon to B. C.

It has significance for the B. C. industry because the great coastal stands of virgin Douglas fir are becoming scarcer and scarcer. Plywood makers are not concerned so much about the size of the log, as with its quality.

Plywood is made by rotating a log against a long sharp knife which peels off a continuous ribbon of veneer lengthwise, much in the manner that paper is taken off a roll. The ribbon of veneer is cut into required lengths as the log "unwinds."

These thin sheets of veneer—some of them as thin as 1/100 of an inch, are glued to one another, with the grain of each ply running at right angles to the other.

The term "glued" sounds simple, but in reality plywood was handicapped for years because of failure to find just the right kind of glue or bonding. While most glues were partially resistant to water, they were susceptible to bacteria. Imagine the embarrassment of the Dutch East Indian air force which, according to reports, found mushrooms growing inside the wings of their planes!

In 1930, a satisfactory type of glue was found. It was so satisfactory that plywood made with the glue has been imbedded at tide level in Florida sands, where it is alternately exposed to salt water and sunshine. It has yet to become delaminated.

Foils Shrinkage

One of the big advantages of plywood over ordinary wood is due to the fact that in some cases wood will shrink as much as one inch to the foot, when dried, and expand proportionately when wet. But it will not swell in the direction of the grain. By laying the plys at right angles, in relation to the graining, this swelling and shrinking is prevented.

At the moment, most interesting development of plywood is in connection with Canada's rapid growing aircraft industry. Canada has the advantage over United States in this development, inasmuch as the industry is older in that country, and tremendous investment has been built up in metal dies and tools. To switch to plywood would involve a tremendous outlay. Canada, with its younger industry, has not this ball and chain, and is in a good position to develop new methods.

Today it is no trick at all to construct an airplane with flat plywood surfaces in the fuselage or wings. Research is now centring on methods of molding the plywood to produce the so-called plastic plane. The public thinks of a "plastic" plane as being made of plastics, but in reality it is made of plywood glued together with plastic glue made from a formaldehyde resin.

Great strides have been made in developing a process for moulding the bodies of cars and airplanes from plywood, and structural engineers and designers talk as if there were absolutely no doubt but that this would be the material used in the future.

When that day comes, Canada, both from the point of view of production and consumption, will be in the front rank of the development.

The Week in Business

Current business as reflected by the D.B.S. index of business activity showed minor decline in week of Oct. 25, but continued nearly 10% over that of a year ago. Decline was largely due to sharp drop in index of bank clearings, which were smoothed by taking a three weeks moving average to eliminate irregular fluctuations. Carloadings helped offset the decline caused by this statistical change. Shares traded remained unchanged while wholesale prices, capitalized bond yields and common stock prices showed minor gains in the week.

Retail sales in September showed a decline from August figure of nearly 4%, but were some 20% over the same month a year ago, and are still higher than July of this year. September index at 136.6 compares with 140.5 in August and 116.5 in September, 1940.

Cost of living index took another jump to 115.5 in October against 114.7 in September and 107.0 in Oct. 1940. In August index was 113.7 and in July 111.9. For this index prices in 1935-1939 are taken as 100.

Railway carloadings from Jan. 1 to Oct. 25 showed a rise of 13.6%. Loadings for week ended Oct. 25 were 72,943 against 64,379 in corresponding week of 1940.

Railway gross traffic earnings for both railroads were materially higher both on the week and the year to date. C.P.R. showed a gain of 29.9%. and C.N.R. 23.6% on year to date.

Electric power output rose to a new high in September, and the index number adjusted for seasonal variations rose to 136.2 as against the previous peak of 130.8 made in July.

Trend of business shown by The Financial Post Business Index and key factors follows. New items for the week marked thus: ▪

TREND OF BUSINESS—	Oct. 25	Oct. 19	Oct. 11	Oct. 4	Oct. 26/40
Weekly index of business, D.B.S.	111.4	112.1	111.0	111.7	101.8
Commodity prices, index no.	93.7	93.6	93.7	93.3	83.5
	Oct.	Sept.	Aug.	July	Year Ago
The Financial Post business index	....	°167.4	162.5	158.9	147.4
National Income, D.B.S.▪	....	....	442.0	448.8	404.7
▪Retail sales index no.	....	136.6	140.5	134.9	116.5
Dept. store sales index no.	....	....	145.8	132.5	116.6
Wholesale sales index no.	....	....	156.3	146.6	123.4
▪Country store (% change pr. yr.)	....	+11.9	+11.3	+13.2	—10.7
Divd. payment index♦	118.2	118.4	118.6	118.4	122.9
COST OF LIVING—					
▪D.B.S. index	115.5	114.7	113.7	111.9	107.0
EMPLOYMENT INDEX Nos., D.B.S.	Aug. 1	July 1	June 1	May 1	Year Ago
All industries	160.6	157.4	152.9	145.5	127.9
Manufacturing	176.9	172.5	168.0	162.3	134.4
Payroll index (a)	172	170	....	....	140
			Jan. 1 to date		%
RAILWAYS—	1941	1940	1941	1940	Change
▪Carloadings (week Oct. 25)	72,943	64,379	2,610,522	2,296,690	+13.6
▪C.N.R. gross (week Oct. 31) $	9,764,952	7,923,320	249,072,541	201,400,890	+23.6
▪C.P.R. gross (week Oct. 31) $	7,461,000	5,983,000	180,034,000	138,739,000	+29.9
C.N.R. net revenue (Sept.) $	6,393,072	3,927,467	48,589,326	27,968,316	+73.9
▪C.P.R. net revenue (Sept.) $	3,466,552	2,985,540	29,727,671	20,289,975	+46.5
IRON AND STEEL—(September)—					
Pig iron production (tons)	111,757	105,020	945,108	839,456	+12.5
Steel ingots and castings prod. .... (tons)	200,559	164,515	1,749,056	1,464,548	+19.4
AUTOMOBILES—(Number)—					
Passenger Cars:					
▪Domestic sales* .. (Sept.)	3,785	3,572	72,511	80,571	—10.0
▪Factory output .. (Sept.)	2,548	3,410	74,756	80,496	—7.1
Trucks and Buses:					
▪Domestic sales* .. (Sept.)	1,928	2,011	28,588	23,428	+22.0
Factory output .. (Sept.)	11,948	12,065	134,457	74,386	+80.8
Financing:					
Used .... (Sept.) $	3,762,460	3,258,877	42,220,522	32,865,514	+28.5
New .... (Sept.) $	2,098,983	2,015,926	30,714,190	25,902,900	+18.6
CONSTRUCTION—					
Contracts awarded . (Sept.) $	39,363,800	52,260,000	322,909,100	247,749,000	+30.3
Cement prod., bbls. (July)	944,000	983,000	4,296,000	3,711,000	+15.7
AGRICULTURE—					
Flour prod., bbls. .. (Aug.)	1,852,139	1,291,451	13,985,964	10,081,998	+38.1
Flour exp., bbls. .. (Sept.)	661,014	550,754	9,481,375	5,192,380	+82.6
Wheat exp., bush. .. (Sept.)	11,341,041	9,499,854	144,429,658	100,470,813	+43.7
Cattle sales▲ .... (Sept.)	149,762	115,444	845,444	788,455	+7.2
Hog sales▲ .... (Sept.)	522,104	413,207	4,319,717	3,436,840	+25.6
SEA FISHERIES—‡					
Catch cwts.▲ .... (Aug.)	1,794,800	1,336,300	7,070,600	7,492,000	—5.6
Landed value ...... (Aug.) $	4,991,500	2,975,000	17,495,830	12,730,200	+37.4
NEWSPRINT—					
Production, tons .. (Sept.)	298,276	282,322	2,505,947	2,573,605	—2.7
Exports .... (Aug.) $	13,180,000	14,341,000	99,290,357	95,641,845	+3.8
MINING AND OILS—					
Coal prod., tons ... (Aug.)	1,356,917	1,398,145	11,002,960	10,916,798	+.08
Coal import, tons . (Aug.)	2,702,485	2,298,531	11,370,179	11,576,452	—1.8
Gold rec., fine oz. (Aug.)	430,878	444,033	3,423,941	3,290,803	+4.0
Crude oil, imp. gals.† (Aug.)	....	.....	1,007,200	904,216	+11.4
ELECTRIC POWER OUTPUT—(September)—					
▪Total monthly, 1,000 kw.h.'s	2,866,647	2,399,678	23,900,261	22,483,592	+.3
FOREIGN TRADE—♦					
▪Imports .... (Sept.)	$136,991,167	86,286,828	1,047,896,396	768,719,704	+36.3
▪Exports .... (Sept.)	$142,896,619	102,778,202	1,184,607,037	869,311,971	+36.2
OTHER INDUSTRIAL FACTORS—					
Dressed lumber exp.: 1,000 bd. ft. ...... (Sept.)	291,129	276,912	1,726,815	1,788,363	—3.4
Shoes, prod., pr .. (Sept.)	2,965,637	2,382,680	20,806,300	16,969,649	+22.7
Cotton consump., lb. (Sept.)	17,125,874	14,286,921	147,249,878	141,498,970	+4.0
Raw rubber imp. lb. (Aug.)	....	....	88,962,399	62,022,360	+43.4
Cigarette cons., No.† (Sept.)	865,957	597,291	6,263,493	5,565,072	+12.5
▪Sugar manufactured .. lb.§	112,873,617	92,174,302	779,367,254	712,519,894	+9.3
FINANCE—					
▪Bank debits† .... (Sept.) $	3,300,731	2,571,236	28,502,328	24,653,180	+15.6
Bond sales† ...... (Sept.) $	62,448	401,159	1,530,674	1,742,986	—12.2
Life insurance sales (Sept.) $	33,975,000	26,156,000	295,019,000	267,361,000	+10.3

*D.B.S. All Canada figure covering over 90% of the Canadian total.
‡Unrevised figures covering N.S., P.E.I., N.B., Que., B.C.
▲Total at yards and plants. New items for week marked ▪
†000's omitted. §For four weeks to Oct. 4. ♦Gold excluded.
•Millions of dollars. °Final. ♦Supplied by Nesbitt, Thomson & Co.
(a) Compiled by Canadian Bank of Commerce.

BRITISH AEROPLANE ENGINES LIMITED

Exclusive Agents in Canada for Bristol Aeroplane Engines

ASSEMBLING OVERHAULS GENERAL SERVICE at 6259 Notre Dame St. East

HEAD OFFICE 248 McCord St. MONTREAL

Plan Nylon Plant Addition Before First Unit Complete

From Our Own Correspondent

MONTREAL.—Though the new Nylon plant of Canadian Industries Ltd. at Kingston is not scheduled to come into production for another month or two, the company announces a further capital expenditure of $1 million to add to manufacturing facilities.

In order to meet the demands of the Controller of Supplies for increased production as rapidly as possible the company has told contractors to add an additional 35,000 square feet to the manufacturing area to provide for installation of additional equipment, orders for which have already been placed under the government's priority ruling.

At present Nylon yarns are being imported into Canada from United States. Early in the year C. I. L. announced its plans to go ahead with the construction of a plant for the manufacture of the product at Kingston.

Original plans called for an outlay of $1.5 million and a productive capacity of 575,000 lb. of Nylon a year. It was anticipated the initial output would be entirely absorbed by hosiery manufacturers. However, the use of Nylon for parachutes and other products, where formerly silk was used exclusively, has considerably broadened the demand for Nylon, hence the current decision to expand on the original plans.

Some such step was anticipated by the company as certain sections were left unfinished so that extensions could be carried out with minimum delay and expense.

As the plan now stands the company will spend about $2.5 millions on the Kingston plant and the capacity will be around one million lb. of Nylon annually.

Quebec Forests Need Army Of 90,000

From Our Own Correspondent

MONTREAL.—Over 38,000 men are now employed in Quebec's forest operations, according to an estimate prepared by W. W. McCaffrey of the Quebec Minimum Wage Board. In the corresponding period of last year there were 32,000 in the lumber camps.

At present forestry workers are being hired at the rate of 4,000 a week. To meet the actual need for men it will be necessary to hire 6,000 a week, according to W. A. E. Pepler, the Quebec Forest Industries Association.

By the end of November about 90,000 men, if they are available, will be employed in the forests of Quebec.

DELIVERS 100 HARVARDS

Noorduyn Aviation Ltd. has now delivered 100 Harvard training planes to the Government since Jan. 18.

In addition 35 Norsemen, radio training planes, have been delivered. Eighty of the 100 Harvards have been delivered since July 1. In October alone 25 planes were completed.

Then—
Protect Them Today Our "Budget" Way!

TODAY patriotic Canadians are called upon for money for this and money for that. There is an extra strain on income—most patriotic people in Canada simply have *got to* budget their expenses. Realizing this, The Dominion Life developed its plan of "Life Insurance on a Budget". With this plan *you* set aside so much per week or month, and *we* plan for you the maximum sum of life insurance it will provide.

The Dominion Life's original "Life Insurance on a Budget" plan has been adopted, and is appreciated, by hundreds of people.

Is adequate Life Insurance on *your* budget?

GET ADEQUATE PROTECTION—GET IT NOW!

Just write telling us your age and how much you can budget each month. We'll let you know how much that sum will provide in life insurance protection, with a plan to suit your needs.

FREE! We will be glad to send you free our booklet "Better Living Through Planned Spending"—a simplified system which will help you plan your war-time expenditures. Remember V...—

THE DOMINION LIFE ASSURANCE COMPANY
HEAD OFFICE • WATERLOO ONTARIO

Coast Sawmills Are Hit By U.S. Price Ceiling

From Our Own Correspondent

VANCOUVER.—Leon Henderson's action in establishing a ceiling on lumber prices in the United States has had a direct influence on the sawmill industry in British Columbia.

Until Mr. Henderson made his move, British Columbia lumber had been moving into the United States in the heaviest volume in many years as spiralling prices due to the housing boom from coast to coast, plus the premium on the U. S. dollar, created an extremely favorable outlet for surplus production.

Shipment of lumber from British Columbia to the United States, so long as it did not interfere with government orders on which there was a pronounced priority, was encouraged by Ottawa because of the exchange thus created.

However, there has been a marked slackening in American demand since the ceiling on prices was fixed.

Stay Out of Market

Retailers have been staying out of the market to see how far prices would decline, and the drop has already been perceptible.

Another deterrent to a continuation of lumber sales to the United States has been the restriction on domestic housing there. Washington has placed a drastic restriction on the building of all houses costing more than $6,000 in defense areas.

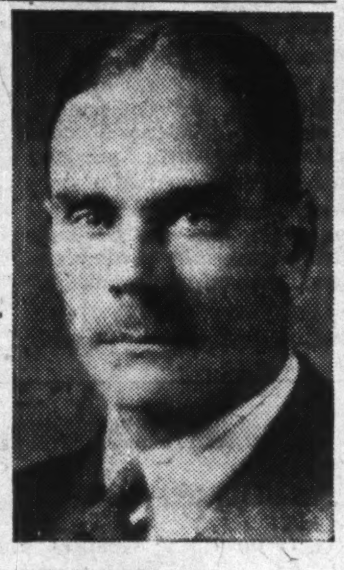
Lumbermen here state that this restriction was made not so much because of a shortage of lumber, but because of growing scarcity of electrical fixtures, nails and other materials vitally needed for defense industries.

Felt Keenly

The effect, however, has been keenly felt by sawmills and in the Pacific northwest, mills production is reported to be well in advance of orders for the first time in months.

In spite of these discouraging factors, B. C. lumber and shingles are still flowing across the border in considerable quantity, and the mills able to hold their ground in that market are obtaining prices considerably higher than for corresponding grades in Canada.

Requirements of the department of munitions and supply, overseas export and the United States have been so extensive in recent months that Timber Controller A. S. Nicholson summoned lumbermen from all producing areas to meet him in Ottawa a few days ago. At this conference many of the fundamental problems facing the industry were discussed and groundwork was laid for a systematic solution.



NEW DIRECTOR

H. G. Welsford, vice-president, director and general manager of Dominion Engineering Works Ltd., has been named a director of Dominion Bridge Co. to fill a vacancy left by the late Sir Herbert Holt.

Record Customs Receipt Reported for October

October customs and excise receipts at Toronto amounted to $13.2 millions, a gain of $4.6 millions over the corresponding month last year and establishing a new record for the month. Gains were also shown by a number of other Ontario cities. Comparative details for some Ontario ports follow:

October Customs and Excise Receipts

	1941 $	1940 $
Toronto	13,171,133	8,529,893
Hamilton	3,417,471	2,570,661
Niagara Falls	1,047,376	696,585
St. Catharines	434,519	361,610
Belleville	391,035	227,223
Fort Erie	369,081	390,601
Brantford	358,351	226,877
Galt	293,226	275,815
Stratford	112,647	66,420
Brockville	82,206	109,883

New Order Bans Budget Coupons

So-called "budget coupons" being sold by some retailers are violations of the consumer credit order and further sales have been prohibited by the Wartime Prices and Trade Board.

The practice has been to sell such coupons and exchange them for listed goods on the installment plan. This practice fails to comply with the board's installment credit order in two ways; it makes possible a series of small purchases on the installment plan without the necessary minimum $10 cash payment and provides neither the store nor the customer with a record of the terms of purchase.

The ruling against such coupons does not prevent retailers from honoring outstanding coupons, and does not restrict coupons fully paid for in cash at time of purchase.

EXPERIENCE • STABILITY

The many years of investment experience and the facilities of an extensive organization are placed at the service of our clients. This service may be secured at any of our branches:

A. E. AMES & CO. LIMITED
Business Established 1889
TORONTO
Montreal Winnipeg Vancouver Victoria New York London, Eng.

Investment Securities
McLEOD, YOUNG, WEIR & CO. LIMITED
Metropolitan Building, Toronto
Telephone: ELgin 0161
Offices at Toronto, Montreal, Ottawa, Hamilton, London.
Correspondents in New York and London, England.

Save with Spun Rock Wool . . . and Buy War Savings Certificates

STOP trying to heat all outdoors!

SPUN ROCK WOOL HEAT COLD SOUND INSULATION

• Conserve your fuel — and your comfort — by installing light, long fibred, resilient Spun Rock Wool. Fire-proof, vermin-proof, durable, Spun Rock Wool insulates ideally against cold, heat, sound. In bulk, batts, blankets and pipe covering. Quickly and permanently installed in new and old houses.

Ask your architect — he knows.

SPUN ROCK WOOLS LIMITED
THOROLD, ONTARIO
Distributors for Eastern Canada—F. S. Bridges Limited, 8 Marlborough Ave., Toronto 5.
Agents, Montreal District—Asbestos Limited, 110 McGill St., Montreal; Mr. A. B. MacLachlan, P. O. Box 51, Vancouver, B.C.

WHAT DICTAPHONE IS AND WHAT IT DOES

Dictaphone is easy to use. You can dictate fast or slowly, "listen back" and make corrections. It enables you to dictate whenever you wish, without requiring the presence of a secretary. She is left free to do other work for you and protect you from interruptions. Try Dictaphone—and you'll never use any other machine or method.

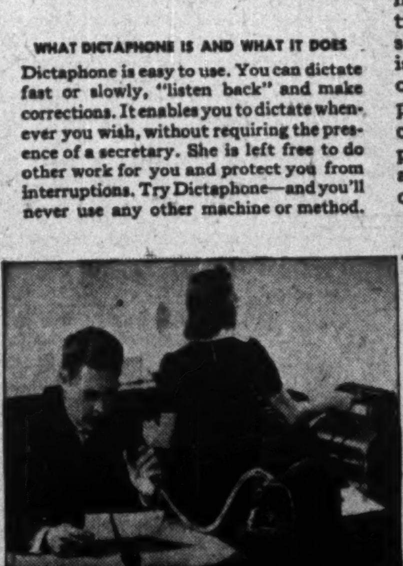
WHEN she takes down in her shorthand notebook the production order that she will have to write again on her typewriter, work through the entire organization is delayed. Such waste motion prevents quick action. And the factory waits!

But you can't blame *her*—for the fault lies with old-fashioned, two-person dictation. The executive is delayed when his secretary is not available. And while she is at his desk, her own work—for which other men are waiting—must stop. Why permit such costly work-jams when they can so easily be eliminated? With all-out production at a premium, *offices*, as well as factories, should no longer be handicapped by lack of proper tools.

With Dictaphone, the modern dictating machine, executives and secretaries can work independently. Ideas are put into action *right away*. Secretaries have more time for other important duties. Work flows more smoothly all down the line because Dictaphone is always on the job, ready to help get things done when they *should* be done.

Thus the Dictaphone method saves time and relieves pressure. Faster *mental* production is reflected in quicker delivery of guns, ships, planes, tanks. Such is the vital importance of Dictaphone's contribution to our war effort.

Whatever your business may be, Dictaphone can aid you. We'll be glad to have you try one out on your own desk... without obligation. Just mail the coupon.



Dictaphone Corporation Ltd., 86 Richmond St., W., Toronto.
☐ Please send me free copy of "Business Expects Every Man To Do His Duty."
☐ I should like to try Dictaphone in my own office without cost or obligation.
Name
Company
Address

DICTAPHONE

The word DICTAPHONE is the Registered Trade-Mark of Dictaphone Corporation, Makers of Dictating Machines and Accessories to which said Trade-Mark is Applied.

... one for the office "SPEED DEMON!"

THE SUPER-SPEED L C SMITH is faster than the fingers of the world's fastest operator. No secretary will ever require such speed, but she *will* need the easy action, light touch and accurate control the L C SMITH gives her.

Phone the L C SMITH branch or dealer in your city today for free demonstration in your own office. See the new Automatic Margin Set that lets the operator set right and left margins with one touch of the finger.

L C SMITH Office Typewriters and CORONA Portable Typewriters are made in Canada by L C Smith & Corona Typewriters of Canada Ltd., Toronto.

Super-Speed **L C SMITH**

... brings new freedom to secretaries

19 More Ships Ordered in Quebec

Raises Canada's Cargo Vessel Programme to 140 Units

From Our Own Correspondent

MONTREAL.—Receipt of an order for 19 additional cargo vessels by three Quebec shipbuilding yards has been confirmed by H. R. MacMillan, president of Wartime Merchant Shipping Ltd. Mr. MacMillan explained the order was "part of the original programme" envisaged.

The orders have been pending for some time, and the three companies concerned have on request of Wartime Shipping submitted a schedule of what construction they are now in a position to undertake. The present orders have been largely allotted on the basis of what commitments the companies made.

Orders For 19 Vessels

The orders for the Quebec yards are distributed as follows:

Canadian Vickers Ltd., Montreal—Six additional freighters to cost in excess of $10 millions.

Marine Industries Ltd., Sorel—Six additional freighters to cost more than $10 millions.

Davie Shipbuilding and Repairing Ltd., Lauzon—Seven extra vessels at a cost of $12 millions. Davie Shipbuilding is a subsidiary of Canada Steamship Lines Ltd.

Denies Expansion Report

An official of Canadian Vickers informs The Financial Post that the company has not yet signed the orders. The same source refused to confirm a rumor that Canadian Vickers would undertake a $1 million programme of expansion. Construction of additional facilities will not be undertaken in any case until the reported order has been officially received, he explained.

A Canada Steamship Lines executive confirms receipt of the order for seven cargo vessels. This brings total vessels on order at the Lauzon yards to 19, some of which will not be completed until 1944.

Marine Industries Expanding

Marine Industries Ltd. confirms the fact it has received orders for six cargo vessels, bringing total on order at the Sorel yards to 18. The company is erecting a new shipbuilding yard to take care of present orders and any future requirements.

Cost of the cargo vessels now on order in three Quebec companies: 12 at Vickers; 18 at Marine Industries, and 19 at Davie Shipbuilding, is approximately $85 millions.

Expansion in Wartime Merchant Shipping plans for construction of these standardized 9,300 ton cargo vessels has increased vessels on order from less than 100 to 140.

Orders For $250 Millions

The vessel is of a type of construction lending itself to mass production methods, and progress of Canadian shipbuilding yards in supplying Canada with carriers is expected to be rapid.

Total expenditure commitments of Wartime Shipping in cargo vessel construction is estimated at $250 millions, including orders for 20 freighters ordered on British account prior to formation of the government shipbuilding agency.

Largest portion of the cargo vessel construction is being undertaken on the West Coast, at Vancouver and other B.C. shipbuilding concerns. Contractors on the West Coast are now in possession of orders for 90 freighters, of which 30 represent the most recent orders allotted.

Long Range Programme

Compared with total orders held by these organizations for 90 cargo vessels, the Quebec companies hold orders for 50 vessels.

The orders now on hand will carry Canadian shipbuilding facilities at capacity well into 1944. With expansion of these yards, however, it is possible that the existing programme may be further broadened.

The cargo vessel programme will, of course, be superimposed upon the production schedule of corvettes, mine sweepers and light naval vessels.

Do you know your best ally against CANCER?

THE X-RAY, radium, modern surgery—or a combination of these lifesavers—today offer more hope than ever of successfully treating cancer. Your most important ally, however, is something that you alone may control.

It is *Time.*

By going to your doctor *promptly*—at the first sign that might mean cancer—you make it possible for competent medical judgment and skill:

1. To determine whether you really have a malignant growth.
2. To treat cancer, if you have it, while there is the best opportunity of cure.

Some Common Signs To Look Out For

The development of painless lumps or other abnormalities in the breast should be regarded with suspicion. Unexplained bleeding is also a danger sign. Unaccountable loss of weight, chronic indigestion, or a "general run down feeling" call for thorough medical examination, too.

When you discover that a mole, wart, scar, skin growth, or blemish is beginning to change in *colour* or *size* or *texture*, or to become painful—that *may* mean the start of skin cancer. Open wounds which stubbornly refuse to heal may develop into skin cancer.

Skin cancers, fortunately, are the easiest of all to detect and cure. Most of them, promptly and properly treated, can be cured without causing disfigurement.

Some Dangers To Beware Of

Growths constantly exposed to irritation frequently become cancerous. Amateur razor-blade surgery or medicine-cabinet doctoring of moles and warts often is followed by the development of true cancer.

Cleanliness is especially important in the prevention of mouth cancer. Bad teeth should be cared for or removed. Jagged edges of teeth should be smoothed. Dental plates and bridges should fit comfortably. Some persons have a mouth condition known as leukoplakia—"white spot disease"—which, if untreated, may develop later into cancer. In these cases particularly, the excessive use of tobacco and sharp condiments should be avoided.

Beware of quack remedies and "cures" for any condition which may be cancer. There is just one safe, reassuring thing to do when you notice a suspicious sign or symptom: *have a thorough examination!* To make the most of your best ally—*Time*—have it *right away!*

For further information, send for Metropolitan's free booklet, "A Message of Hope About Cancer."

Metropolitan Life Insurance Company
(A MUTUAL COMPANY)
NEW YORK
Frederick H. Ecker, CHAIRMAN OF THE BOARD
Leroy A. Lincoln, PRESIDENT
CANADIAN HEAD OFFICE OTTAWA

Metropolitan Life Insurance Company
Canadian Head Office, Ottawa
Please send me a copy of booklet, 11-F-41 "A Message of Hope About Cancer."
Name____
Street____
City____ Prov.____

An interesting 10-minute Technicolor movie on food and health—"PROOF OF THE PUDDING"—is being shown throughout Canada. Be sure to see it when it comes to your theatre.

Join Consumers' Gas Board

Vacancies on the Consumers' Gas Co. board of directors were filled this week with the election of F. S. Corrigan, left, and Herbert Horsfall. Mr. Corrigan is vice-president and general manager of General Steel Wares Ltd., and is also a director of the North American Life Assurance Co., the Canada Permanent Mortgage Corp., the Canada Permanent Trust Co., the British North Western Fire Insurance Co. and the Security National Insurance Co. A civil engineer by profession, Mr. Horsfall is president and managing director of the Canada Wire & Cable Co., vice-president of the Leaside Engineering Co. and a director of General Steel Wares Ltd.

C. N. R President Sees Good Surplus for Year

From Our Own Correspondent

MONTREAL.—With car loadings at record levels Canadian National Railway will probably report an over-all surplus of from $3 to $5 millions this year, R. C. Vaughan, president, forecasts.

Returning from a 10,000-mile inspection tour of the system Mr. Vaughan said he expected revenue would exceed $300 millions in the current year, second only to 1928 which was the peak year in the system's history.

Originally it was expected earnings would approximate $63 millions, sufficient to meet interest charges on debt held by the public and taxation. More satisfactory operations have resulted in a revision. It is now anticipated earnings available for interest and taxation will run between $66 and $68 millions, leaving the first surplus shown by the system since 1928.

Net revenue in the first three quarters of the year totalled $48.6 millions, best for any comparable period in the system's history, and with the exception of 1928, higher than any full year.

Second to 1928

While volume of traffic carried this year will probably exceed 1928, lower traffic rates will prevent earnings from going higher than the 1928 figure.

Betterment has been evenly distributed in passenger and freight activities. Hotels and steamship operations have also been more satisfactory.

With equipment on hand and on order Canadian National Railway will be able to handle all traffic in sight, Mr. Vaughan stated. The company has less equipment than in 1923 because of natural obsolescence, but no curtailment of services is anticipated. Deliveries of current orders are slow because of large war orders being handled by equipment manufacturers. Steel for railways equipment orders ranks high in the Dominion Government's priority list, Mr. Vaughan declared, coming immediately after actual weapons of war and shipbuilding needs.

Meet Labor Problems

The railway is not experiencing any difficulty in obtaining adequate labor. Its apprentice system is held by the president to have been of great benefit, assuring a steady flow of trained men for skilled jobs.

Freezing wage levels will have no effect upon C. N. R., the president said. The company has been conforming to government practice in granting cost-of-living bonuses, and will not be affected by the latest measure.

At the Montreal Point St. Charles shops C. N. R. is making guns and gun carriages. It is expected the first of these will be off the production line in the near future. C. N. R. is also building nine mine sweepers and cargo vessels at Prince Rupert, B.C.

Questioned as to the opening date of the new Montreal terminal, Mr. Vaughan forecast it would be in operation by next summer.

Cannot Divert Equipment

The president said C. N. R. had received no official request for rolling stock for the Iranian railway, which the British are attempting to convert into a main channel for supplies between Russia and her democratic allies.

The railways are not in a position to reduce rates to move grain feeds from the west to east, the C. N. head stated.

Completion of the Montreal-Portland pipe line will not deprive C.N.R. of any business, according to the president.

Affected by Coal Strike

The railway has been seriously affected by the slow-down tactics of Cape Breton coal miners, and it has been necessary for the railway to take coal imported from the United States as far east as the Maritimes. The situation has now improved and the railways are getting steady delivery of coal from Cape Breton.

In a prepared statement Mr. Vaughan stated:

"The railways carry more than two thirds of the total production of the Dominion and the maintenance of their efficiency is absolutely vital. Canada's productivity has risen to new heights in very many lines of effort. In general the volume of business is greater than at any period in the history of our country, although the western Canada grain crop of 1941 was disappointing.

Railways Aid War

"It has been a matter of pride to raliwaymen that in the first two years of the war they have carried the troops, the munitions, the supplies, and the products of farm and factory along with vast quantities of material for construction, without a tie-up of any kind due to shortage of facilities, to labor disagreements or any other cause. I feel certain after these lengthy inspection trips that this fine record of the railways will continue."

Candn. Investment Dividends Gain

Canadian Investment Fund Ltd. has declared a dividend of four cents a share, payable Nov. 1 to shareholders of record Oct. 15. As final dividend for the year it brings total payments for 1941 to 17 cents, highest disbursement since 1937, when the company paid 20 cents a share on the stock.

In 1940 the company paid 16½ cents, compared with 16 cents in the two preceding years.

At Sept. 30 last, per share net assets value was 1.68% down from the beginning of the year. It was higher, however, than at the end of June.

It takes a healthy income to satisfy a healthy appetite!

Food is just one of the important items to be considered in the long list of every-day demands on your income.

Suppose you were no longer there to provide that income? Would your present life insurance and other savings be adequate to meet all of your family's major living expenses?

Life insurance *can* take *permanent* care of all your family's needs, if you *plan it* to do so! For a sum which can be well within your means The Mutual Life of Canada will guarantee your wife and children a "*continued income*" adequate for all their needs as long as they require it. Or when you yourself wish to retire, an income will be paid to *you.*

This type of insurance costs you no more than you can comfortably afford because it is based on income . . . because The Mutual Life will design *your* policy to meet *your* individual means and circumstances. Moreover, *all* profits belong to the policyholders, and your dividends may be used, if you wish, to reduce premiums or to increase the value of your policy.

Mutual Life representatives are well qualified to help you plan for "*continued income.*" Why not talk it over with one of them today!

THE "VICTORY POLICY" WILL PROVIDE, AT LOW COST AN ADEQUATE "CONTINUED INCOME"

In making insurance plans today you may have to ask yourself, "How can I combine *adequate* protection with my present commitments for War Savings Certificates or other war loans?" The new "Victory Policy" has been *specially developed* by The Mutual Life of Canada to meet this problem.

For war-time needs

Premiums are exceedingly low for a fixed period of years, while you are investing in War Savings Certificates. When the rate is adjusted at the end of this period, the premium is still lower than you would normally pay, and you will be able to use the proceeds of your War Savings Certificates as they mature to pay the premiums.

The "Victory Policy" is a *permanent* plan of life insurance. It is available to every adult who is insurable; and it is especially attractive to men and women with modest incomes.

See your nearest Mutual Life representative for complete information. Or write direct to The Mutual Life of Canada, Waterloo, Ont.

THE MUTUAL LIFE OF CANADA
Established 1869
HEAD OFFICE • WATERLOO, ONT.
ALL PROFITS FOR POLICYHOLDERS

Canada Northern Earnings Rise

September Results Improve Before Income and Profits Taxes

From Our Own Correspondent

MONTREAL.—Increase in both gross and net earnings, before provision for income and profits tax, is reported by Canada Northern Power Corp. in September.

Gross earnings totalled $425,570, an increase of $17,199 over September, 1940, while net earnings before taxes amounted to $236,042, an increase of $1,907.

Gross earnings in the nine months to Sept. 30 amounted to $3.8 millions an increase of $15,700 over the corresponding period of the preceding year. Operating expenses, however, increased by $17,900, reducing net earnings by $2,200 to $2.1 millions.

There were 189 new customers added to the company's system in September, and at the end of the month there were 25,828 being served, compared with 25,432 at the end of September last year.

Power output for September amounted to 62.3 million kw.h., against 58.9 million kw.h. in the same month last year. Production for the nine months amounted to 558.6 million kw.h., an increase of 479,113 kw.h. over the same period of 1940.

Operating Statement

September:	1941	1940
	$	$
Gross earnings	425,570	408,371
Less: Oper. exps.	189,528	174,236
Net earnings	236,042	234,135
Nine Months Ended Sept. 30:		
Gross earnings	3,790,039	3,774,339
Less: Oper. exps.	1,675,530	1,657,630
Net earnings	2,114,509	2,116,709

Paramount Nets $2.60 in 9 Months

Substantial Gain Shown Over Corresponding 1940 Period

Paramount Pictures Inc. estimates its earnings for the quarter ended Oct. 4, 1941, at $3.1 millions after interest and all charges including provision for all federal taxes. This amount includes $419,000 representing Paramount's net interest as a stockholder in the combined undistributed earnings for the quarter of partially owned non-consolidated subsidiaries.

Earnings for the nine months ended Oct. 4, 1941, on the same basis are estimated at $7.4 millions, including $1.3 million share of undistributed earnings of non-consolidated subsidiaries. No provision has been made for federal excess profits taxes for Paramount Pictures Inc. and its consolidated domestic subsidiaries since it is estimated that none have accrued.

Earnings for the quarter ended Sept. 28, 1940, were $1.7 million and for the first nine months of 1940 were $4.8 millions.

After deducting $251,360 of dividends accrued for the quarter on preferred shares, the remaining $2.8 millions of estimated combined consolidated and share of undistributed earnings for the quarter represent $1.10 per share on the 2,573,862 shares of common stock outstanding on Oct. 4, 1941, which compares with 58 cents per share for the quarter ended Sept. 28, 1940. Computed on the same basis earnings for the nine months ended Oct. 4, 1941, represent $2.60 per share on common stock outstanding, which compares with $1.60 per share for the nine months ended Sept. 28, 1940.

Jellett Backs Tramway Plan

Says Nothing to be Gained by Criticism and Interference Now

From Our Own Correspondent

MONTREAL.—Nothing is to be gained for the bondholders at this stage and under present conditions by criticism and attempt at interference, says R. P. Jellett, chairman, first mortgage bondholders protective committee of Montreal Tramways Co.

After pointing out that the company is efficiently operated and had entered upon a period of improved earnings, Mr. Jellett said there was little purpose requesting the company to undertake financial commitments that they might be incapable of fulfilling.

"The uninterrupted payment of bond interest," says Mr. Jellett, "and the annual retirement of a substantial amount of first mortgage bonds through a sinking fund, which will create an improved market for the bonds and reduce the issue to an amount the company will, in all probability, be able to refund before the extent of maturity, are undoubtedly of primary importance to all the bondholders and should be of first consideration in any compromise with the company. The proposed scheme of arrangement provides for all of these factors and, consequently, warrants the unqualified support of the bondholders, whose chief concern is for continued income, marketability and capital security.

Kensington Manor To Pay Interest

Court approval of payment of six months' interest on the 7% first mortgage bonds of Kensington Manor Apartments, Windsor, together with past due simple interest thereon at 5% per annum is announced by the London & Western Trusts Co., receiver and manager, of the property. The payment is on account of the coupon due Oct. 20, 1933, and the interest since that time at 5% will be calculated up to Oct. 20, 1941.

The trust company reports that the application to the Rentals Control Board for permission to increase rental rates as referred to in the April 21, 1941, statement, has been refused. It is stated that the building has been exceptionally well occupied and that there have been no unusual expenditures during 1941.

Shipshaw Plant Taking Shape

Big Saguenay Development Being Pushed for War Needs

From Our Own Correspondent

MONTREAL.—Aluminum Power Co. has filed notice with the Quebec Government of its intention to apply for authorization to construct a power house on the Saguenay River near the mouth of the Shipshaw River. In addition the company seeks the right to build a canal going from the Chute-à-Caron dam to the power house on the water course of the upper Saguenay.

This project involves a capital outlay of better than $35 millions and a plant design for an initial capacity of 500,000 h.p. and for an ultimate capacity of 1 million h.p.

It is understood that the arrangement between the company and the government, which is advancing the necessary capital funds, provides that the company, upon completion of half of the presently planned installation—250,000 h.p.—can then review the situation. If conditions at the time are such that aluminum requirements can be met with existing power installations, then the balance of the power development may be deferred.

Needed for Aluminum

All the power from the new Shipshaw development will be used to produce aluminum to fill expanding war demands.

The new plant will be built on dry land at a point between the Saguenay and Shipshaw Rivers. The existing dam will allow for water diversion to the new plant, located just at the head of the tidal reach of the Saguenay, where there is an operating head of 208 ft. compared with 150 ft. at Chute-à-Caron.

Present plant installation for the new development calls for six units each producing 85,000 h.p.

Falconbridge Works On Plant Additions

While $134,316 was spent on new construction by Falconbridge Nickel Mines in the three months ended Sept. 30, 1941, the company was able to more than maintain its working capital position in spite of a narrowly lower quarterly profit.

Net profit, exclusive of non-operating revenue, was $226,182 in the third quarter of 1941, compared with $243,334 the preceding quarter. Working capital was about $30,000 higher at $6,563,240, including $1,269,759 for Norwegian items.

Construction is suffering delay due to present conditions, but is still expected to be completed early in 1942.

Arms, Munitions, Food . . . They must get through

Every ship carrying these vital cargoes is protected against ordinary perils of the sea. But merely normal safeguards are not enough . . . too much is at stake. Fighting escorts ensure EXTRA protection.

Business, too, faces hazards that demand extra protection.

The business life line—collection of Accounts Receivable—is constantly endangered. Your credit department is entirely adequate for measuring ordinary credit risks. But the crippling blows result from EXTRAORDINARY credit conditions . . . from conditions developing after credit has been approved and the goods have been shipped.

CREDIT INSURANCE . . . is tailored to fit the needs of YOUR business. It guarantees payment of Accounts Receivable . . . guarantees reimbursement for losses caused by the insolvency of customers. Either your customers pay you . . . or we pay you.

Canadian Division

For full particulars write or telephone our nearest branch office today.

J. F. McFADDEN, *President*
First National Bank Building, Baltimore, Maryland.

AMERICAN CREDIT INDEMNITY COMPANY OF NEW YORK
"Guarantees Payment of *Your* Accounts Receivable"

P18

OFFICES IN TORONTO, MONTREAL AND SHERBROOKE

...ON THE MARCH!

"Your duty as a good Canadian is to spend less and save more."

Hon. J. L. Ilsley
—Minister of Finance

THRIFT is today on the march all through Canadian life. In industry, in the office, on the farm, even in the schools, THRIFT is saving for vital war requirements.

THRIFT avoids unnecessary spending and reduces the demand for ordinary civilian goods. This helps to curb the rising cost of living and at the same time makes men and equipment available for increased production of urgently needed war supplies.

An account at this Bank will be most useful in YOUR THRIFT PROGRAM. All banking services are available and your use of them will be welcomed.

For Canada and yourself— **BE THRIFTY** Buy War Savings Certificates

The BANK of NOVA SCOTIA

J. A. McLEOD, President — H. D. BURNS, General Manager

EST'D: 1832—OVER A CENTURY OF BANKING EXPERIENCE

Northern Life
Assurance Company of Canada
Established 1897
Head Office • London, Ontario

No "Growing Pains" in This Defense Industry!

Making Army Intelligence photos from a high altitude—with a Fairchild K7C Aerial Camera.

"Eyes" for airplanes come from Fairchild Aviation Corp., in Jamaica, Long Island. The need for these superb aerial cameras has increased Fairchild's business *over 2000% in the last 2 years!* Now, such expansion would cause severe "growing pains" in any organization less on its toes than Fairchild. The executive staff, responsible for this enviable condition, has been enlarged only slightly—yet its executive *capacity* has multiplied amazingly. How?

C. A. Harrison, Vice President, credits Ediphone Voice Writing for much of this increased accomplishment. Notes, data, specifications, correspondence—written work is *talked* away! Desks are cleared for action—minds cleared for major matters—waste motion and lost time have been cut to the minimum... And Ediphones can do the same for you.

EDISON
VOICEWRITER
Ediphone

Travel keeps Mr. Harrison (above) away from his office from 2 to 4 days a week —"yet," he says, "with my Ediphone I keep caught up." Mr. Harrison's secret for getting *more* things done *faster* is yours for the asking. Phone The Ediphone (your city) or write address below, for a *free* demonstration.

Thomas A. Edison of Canada, Limited, Ediphone Division, 610 Bay Street, Toronto
Sales and Service Offices throughout Canada

Advertising in Wartime

Problem of Heavy Industries Debated

One of the main topics discussed by delegates to the Association of Canadian Advertisers in Toronto recently was the place of advertising in wartime. A. M. Miller, advertising manager of Chrysler Corp. of Canada Ltd. opened the discussion on this problem as applied to the heavy industries. Digest of Mr. Miller's remarks follow:

By A. M. MILLER

The high morale we need for victory is impossible in a democracy without a well-informed public. To build and sustain that morale, the news must be told—all the news, faithfully and accurately. Therefore, every dollar we can conserve out of our budgets to be spent in actual purchase of space will be a victory dollar because the peculiar strength of a democracy is its ability to face the facts and carry on.

There is no parallel in history for the situation today. There are certain resemblances to conditions of the last Great War. For instance, there were some priorities which made certain raw materials difficult to obtain. But in a continually expanding market with no restrictions on prices, that was no hardship to the manufacturer or merchant.

The last war was financed partly by taxation, but mainly by borrowing at home and abroad, and by inflation. Almost the only restriction on consumer-purchasing was the restriction of mounting prices. Outside of the actual war zones, world trade was free and was enormously stimulated by the needs of the warring nations. There was some shortage of sea-borne transport, and consequent scarcity of some classes of consumers' goods, but on the whole, anybody, outside of the blockaded zone, could buy anything he wanted if he had the money to pay.

Let us summarize some of the present conditions imposed on us by World War Number Two.

The free trade world is restricted to the Americas, the British Empire, the East Indies and part of Africa. The whole of Europe and most of Asia is out of the world trade picture. The big question here is how well and how quickly we can build enough shipping to make even the remaining free-trade area effective, and how effectively we can prevent enemy interference with our seaborne transport.

There are material priorities.
There is a ceiling on profits.
There is to be a ceiling on wages and prices.

Industry—especially heavy industry—has been asked to divert a large part of its experience, equipment and manpower to the production of the tools of war. This involves management, engineering, and technical personnel and equipment, skilled, semi-skilled and unskilled labor—and, last but not least, dollars.

And here are some questions for you to consider.

How much will newly-trained personnel, and newly-provided plant and equipment enable us to compensate for this diversion of energies to war production? In other words, how much will "business as usual" have to give place to "business for war?"

When will we reach the peak of necessary war production?

When we do reach the war production peak, will we then be able to reach back toward normal production of consumers' goods?

What to Advertise?

What effect will wartime budgets in heavy industry have on that part of the budget devoted to advertising?

What are we going to advertise? Shall we advertise our normal products as formerly; shall we advertise our war products; shall we advertise our institutions; shall we advertise all three?

What process of reasoning shall we follow in justifying to ourselves, to our managements and to the public, the advertising programmes we are all no doubt preparing to recommend for 1942?

Frankly, I do not possess the answers. Furthermore, I do not believe there are any **general** anwers. In attempting to give our **individual** answers perhaps we shall all receive some help.

We will be wise if we are ready under any circumstance or handicap which we may have to meet, to use all our ingenuity and resourcefulness to solve the three great problems we will have to face. Once stated, these problems are obvious.

First, we will have the problem of helping to preserve the investments our corporations have made in the past through the medium of advertising.

Then we will have the problem of building in the public mind such ideas about our institutions and their products as will make both more than ever acceptable when the war is over.

Job of Supreme Importance

Last, but not least, we will have to play an important part in giving the maximum support our budgets will allow to those newspapers and other publications which play so important a part in sustaining public morale. There's is a wartime job of supreme importance.

May we add, in closing, a note of optimism. During these war years we will see great advancement in scientific and technical knowledge. Our people will know how to do things with their hands and brains as never before. There will be no idlers except those who are idlers by nature. Our productive capacity as a nation will be enormously increased. Canada entered the last war as an industrial infant and emerged as an industrial adolescent. Canada entered this war industrially mature. It will emerge as an industrial giant.

C.P.R. Earnings Extend Gains

September Net Higher Than 1940 But Below 1939

From Our Own Correspondent

MONTREAL.—Canadian Pacific Railway Co. reports gross earnings of $19.3 millions in September, an increase of $3.6 millions over the same month last year. Net earnings amounted to $3.5 millions, an increase of $481,011.

Gross and net earnings for the month, while higher than the same month last year, failed to surpass those of September, 1939. Gross earnings in that month were up $55,672 over the past September, and net earnings were $2.4 millions higher.

Nine Months Higher

In the nine months to Sept. 30 gross earnings totalled $158.5 millions, an increase of $36.6 millions. Expenses rose to $128.7 millions, from $101.6 millions. Net earnings amounted to $29.7 millions, compared with $20.3 millions in the corresponding period last year, representing an increase of $9.4 millions.

Operating Statement

September:	1941 $	1940 $
Gross earnings	19,268,142	15,646,840
Less: Oper. exps. ...	15,801,590	12,661,299
Net earnings	3,466,552	2,985,541
Nine Months Ended Sept. 30:		
Gross earnings	158,457,494	121,847,812
Less: Oper. exps. ..	128,729,823	101,557,837
Net earnings	29,727,671	20,289,975

National Biscuit Earnings Higher

Net profits of National Biscuit Co. for the quarter ended September, 1941, are reported equivalent to 33 cents per share on the common stock, the same amount as was earned in the corresponding quarter of 1940. Total profits for the three months amounted to $2,513,716 after depreciation and federal income and excess profit taxes.

For the nine months to September 30, 1941, net profit totalled $7,779,519, which was $1.03 per share on the common stock. In the same period of 1940, net profits were $1.02 per common share.

WOODS APPOINTMENT

Woods Manufacturing Co. board of directors announces appointment of R .M. Stott as general manager of the bag division and S. E. Woods as general manager of the clothing and textile division. F. L. Mitchell has resigned.

Hiram Walker Bonds Coming

$15 Millions of Serials Registered with S.P.C. For Sale in United States

Hiram Walker - Gooderham & Worts and its U.S. subsidiary, Hiram Walker & Sons, have filed a statement with the Securities and Exchange Commission registering an issue of $15 millions in serial debentures. The issue is being underwritten by Smith, Barney & Co., with other members of the syndicate being named later.

The new debentures are to mature at the rate of $1 million annually on Nov. 1, 1942, to 1956, inclusive. Interest rates will be furnished later.

The proceeds will be paid to the American subsidiary. They will be applied to the amount of $3.8 millions toward the redemption at 102 on Dec. 9, of $3.7 millions of 4¼% debentures and the balance used to pay bank loans obtained from the Guaranty Trust Company. It is expected that some of the bank loans will remain unpaid as the balance available from the bond issue will be insufficient to meet the entire obligation.

It is stated that in the year ended Aug. 31, 1941, about 90% of consolidated net sales were made in the United States by subsidiaries of the American company. Over the past five years this percentage has varied from 85% to 90%.

Dosco Pig Iron Output Shows Moderate Gain

From Our Own Correspondent

MONTREAL.—Production of pig iron at the Sydney plant of Dominion Steel and Coal Corp. continues on a relatively low basis due to the fact that one furnace is being relined. During September, output totalled 24,000 tons, as against 23,000 tons the previous month and 32,000 tons in September, 1940.

For the first nine months of 1941, Dosco produced 272,000 tons of pig iron, as against 292,000 tons for the like period a year ago.

Power Corp. Gains During September

From Our Own Correspondent

MONTREAL.—Output of electric energy of controlled and affiliated companies of Power Corp of Canada during September totalled 227.2 million kw.h., compared with 186.4 million kw.h., in the same month last year. This represents an increase of 40.8 million kw.h., or 22%.

All six companies reported gains for the month over last year, led by Winnipeg Electric, which increased its output from 48.6 million kw.h. to 81.9 million kw.h. This large increase is attributed to the excellent water conditions prevailing on the Winnipeg River during the month, whereas last year they were very poor.

Following are production figures of the six concerns for September, with comparative figures for last year.

(In Kilowatt Hours)

	September 1941	September 1940
Southern Canada ..	18,350,930	16,494,080
Canada Northern ..	62,303,772	58,871,453
East Kootenay	9,697,770	9,263,478
B. C. Power	53,529,966	51,976,317
North. B. C. Power	1,360,644	1,198,636
Winnipeg Electric..	81,908,000	48,553,200
	227,151,882	186,357,164

NAMED DIRECTOR

R. E. Stavert, vice-president and director of Consolidated Mining and Smelting Co., has been elected to the board of Dominion Engineering Works Ltd., succeeding the late Sir Herbert Holt.

Package for Package Sweet Caps are your best cigarette buy!

It means a lot—to find a brand of cigarettes that is *always* milder, always better tasting. That's one big advantage you get from the famous Sweet Caporal formula which calls for the exact and invariable blending of 38 classifications of the choicest Virginia tobaccos—it ensures that *every* package of Sweet Caps will give you a greater measure of smoking pleasure.

SWEET CAPORAL
Cigarettes

"The purest form in which tobacco can be smoked"

The EXCELSIOR LIFE
Branch Offices from Coast to Coast
A STRONG CANADIAN COMPANY
ESTABLISHED 1889 « » HEAD OFFICE - TORONTO

This Big Beautiful 1942

FORD

IS *YOUR* ECONOMY CAR

If you're thinking of keeping your motoring costs to the very minimum, the 1942 Ford is the number one car for you.

Look at its new, modern massive lines, made possible by the new, wider tread and lower over-all height. See the richness of its tailored interior, with quality fabrics combined with genuine leather and "polished wood-grain" plastics.

Feel the deep restfulness of its riding comfort—its sweeping width of seats and doors and windows, plus its soft, level ride improved still further this year in quietness, steadiness, and ease.

But above all, you must drive this new Ford. Its engine gives thrilling response when you need it. It's the economy engine for an economy year—decidedly thrifty on both gasoline and oil.

See what this car offers—learn what it saves—in first cost and in operating costs. Visit a Ford-Mercury dealer now.

QUICK FACTS ABOUT THE 1942 FORD

New massive styling. Body a full inch lower—with no sacrifice in head room. Wider front and rear tread. Lower centre of gravity for road-hugging security. *New "Velvet" ride.* Longer, slower action springs. Double-acting shock absorbers. *New quietness. Easier Steering.* New Track Bar assures "straight-line" steering. Improved Torsion Bar reduces body roll and sidesway. *Smoother hydraulic brake operation.* Quick, easy stops with less pedal pressure. *New interior beauty. Easier shifting. 2 brilliant new Fords:* The *De Luxe* series for the motorist who wants top quality in the lowest price field. The *Special* series—for wartime budgets—has the same size and roominess as De Luxe models; has heavy bumpers and bumper guards, built-in gravel deflectors, stoneguards on rear fenders, dual visors, windshield wipers, cigarette lighter, ash tray—and many other "fine-car" features.

WITH THE GREATEST ENGINE IN THE LOW-PRICED FIELD

FORD MOTOR COMPANY OF CANADA, LIMITED

Bootlegger Comes Back To "Controlled" Markets

Fortune Article Points Danger of Price Pegs When Income Rising Says More Than Idealism Needed to Beat Black Market

The bootlegger, first cousin of the gentleman who thrived in the prohibition '20's is back in Europe. Severe rationing and price controls have provided the sort of soil on which this type flourishes.

Development of the "Black markets" across the Atlantic have particular interest to Canada, about to enforce one of the most sweeping systems of price control ever tried in a democratic country. Fact that the Canadian government has announced plans for a huge army of price policemen to guard against rackets and "dodgers" is evidence that dangers inherent in price control are well recognized.

In Europe it is claimed you can beat the rationing system if you have the money and know the right people. Nazi underlings are growing fat on the old-fashioned "Fix."

Recently the bulletin of the Institute of International Affairs related the experiences of an Englishman who travelled across Europe with a fat bankroll. He was only imprisoned once—in Italy—and arranged an escape with apparent ease, and even bought the freedom of a Jew from a Nazi concentration camp. Price—50,000 marks, to be deposited in New York.

Whether the bootlegger will jump the Atlantic and reappear in North America will depend largely on the methods taken to enforce the new price and wage ceiling orders.

Will patriotism prevent the bootlegger from staging a comeback?

Not entirely, according to the reports from Great Britain. In its October issue Fortune Magazine deals with certain aspects of present day British business and the methods of evading controls.

When the coupon system of clothes rationing in Britain began last June, schemes for evasion sprouted rapidly. Some people, Fortune states, began combining two-piece garments into one-piece. Underslips and knickers were joined to cost four coupons against seven; skirts and blouses separately rate 12 coups, sewn together they cost the buyer seven. Says Fortune:

The Coupon Racket

"Secondhand clothes were unrationed, but could a once-worn mannequin model or Savile Row suit be considered secondhand and therefore be bought without coupons? The Board of Trade was forced to fix minimum prices for secondhand unrationed purchases.

"Then, although clothing materials and knitting wools were rationed, made-up fabrics, such as sheets and curtains, lace and ribbons, were not. Again, some immediately exploited this coupon breakthrough by buying blankets for coat making, sheets for handkerchiefs, colored sheets for frocks, wide ribbons for what-have-you.

"Furthermore, although coupons were not transferrable, it was not easy or politic for shopkeepers to be too discriminating. So women purloined or cajoled the coupons of their aging relatives, their husbands, their boy friends. To make matters worse, expert forgers were soon reported at work selling coupons at five shilling to ten shillings a sheet."

Enormous difficulties have been encountered in the exchange of coupons for materials, a process that has to be gone through before the retailer replenishes his stocks, and a coupon credit bank may soon have to be set up to handle the problem.

In the food rationing system the black markets have been best developed, and there are reports of the food gangsters in Britain carrying their operations to the extent of hijacking government food trucks and stealing vital reserve food supplies.

Scarce Foods Vanish

Food rationing extended first to main items of consumption, leaving a number of non-rationed foods free, with prices uncontrolled. But many of these commodities immediately began to soar in price and when they got too far out of line were included in the rationed, pegged price group. According to Fortune:

"Strawberries once sold for 15 shillings a pound, tomatoes for nine shillings, and that British rarity, the onion, once cost 10 shillings a pound. When prices in any category get too much out of hand, the Food Ministry sets up a controlled price—and the invariable result has been the temporary disapparance of that commodity from the market.

"These disappearances are due to the development of 'black markets.' With tomatoes down from nine shillings to a controlled ½d. a pound producers and wholesalers lose interest. Onions, tomatoes, oranges and other controlled products are either sold for cash at fancy prices to hotels or big catering firms, or on the tacit understanding that they also buy up loads of potatoes, cabbages or some other commodity in full supply. The rarities are invoiced at the controlled price, the others at the current market price—but the buyers neglect to collect the potatoes or cabbages. In effect, the rarities are sold at fancy prices, while Board of Trade inspectors are shown impeccable invoices. Lord Woolton is making strenuous effots to force down the 'black market' operations and there have been some 23,000 prosecutions, some of great severity."

Some indication of the extent of black market operations is furnished by the large number of prosecutions. The regulations are hard to enforce at a time when British workers, formerly earning £5 a week, now get £10 or £12.

With Canadian pay envelopes swelling and with the government attempting a price-control feat never before tried in a modern community, the soil is fertile.

Canadian Celanese Profits Well Ahead

From Our Own Correspondent

MONTREAL. — Earnings of Canadian Celanese Ltd. for the current year are understood to be running well ahead of those for last year. During the first eight months of 1941 profits are said to have equalled those for all of last year.

Operations of the big Drummondville plant have been at capacity for some time and it now looks as if the company will show a net income for 1941 well above that for 1940 when earnings on the common amounted to $2.93 a share.

Report Gaining Enthusiasm For War Weapons Drive

As Canada's Fall War Weapons Campaign nears the finish, a wave of increasing enthusiasm is reported from local committees across Canada, according to the drive's headquarters.

Scores of newspaper clippings from every province indicate that local committees are aware of the importance of local demonstrations if the need for campaign is to be brought home to the public at large.

The energy and enthusiasm put into these local demonstrations is credited with the increasing tempo of the campaign, a tempo which now matches that of last War Savings Campaign in February.

Many cities in British Columbia opened their campaign a few weeks earlier than cities in the east, and are therefore a good indication of how public reaction is growing. The city of Victoria had a war weapons parade in the third week of its drive which outshone anything of its kind put on by that city in the past, in terms of enthusiasm, numbers taking part in the parade, and numbers of spectators.

In Toronto, thousands of citizens have been turning out to witness a war weapons pageant. At Oshawa one of the most ambitious window-dressing competitions ever devised is being carried out on behalf of the campaign. Similar examples could be given for scores of other Canadian cities.

All such demonstrations are focused on the objective of making the "average citizen" aware that the pace of Canada's war effort is continuously in need of greater pace, in the interest not only of victory, but of victory as soon as possible.

Lake of Woods Loans Explained

Over Half of Borrowings on Government Account, Says President

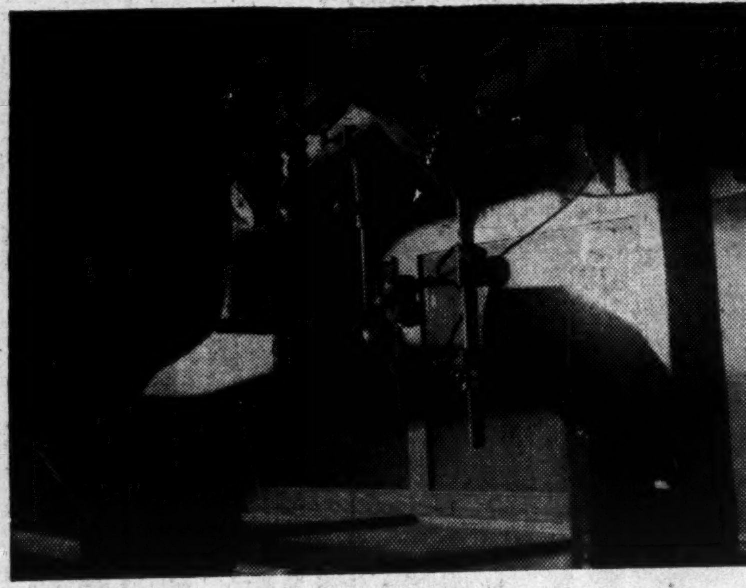
From Our Own Correspondent

MONTREAL.—Over half of the bank balance shown on the company's books at August 31, 1941, represented money owing to the company by the Dominion government for wheat bought on its behalf by the company, according to a statement made by General F. S. Meighen, president, at the annual meeting of shareholders.

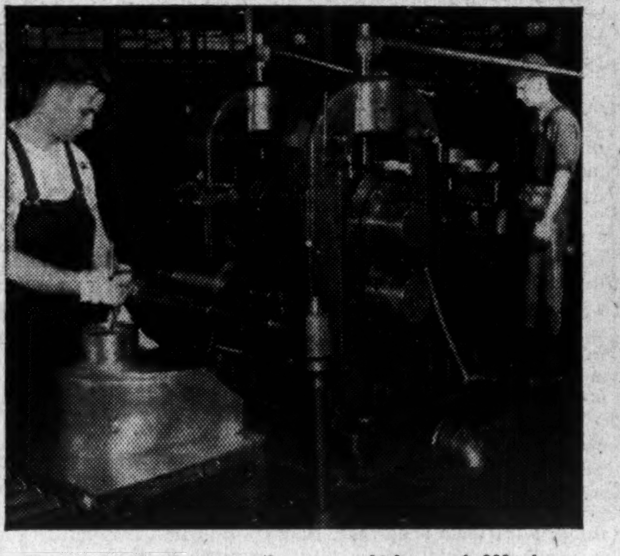
With regard to the competitive situation in the foreign field, the president said there was very little competition at present, except for a moderate amount in the British West Indies. Practically all flour exports are going to the United Kingdom and purchases are arranged by the British Cereals Commission.

The company's big subsidiary, Inter-City Baking Co., is experiencing satisfactory operations. Bondholders in that company, he adds, "need not worry."

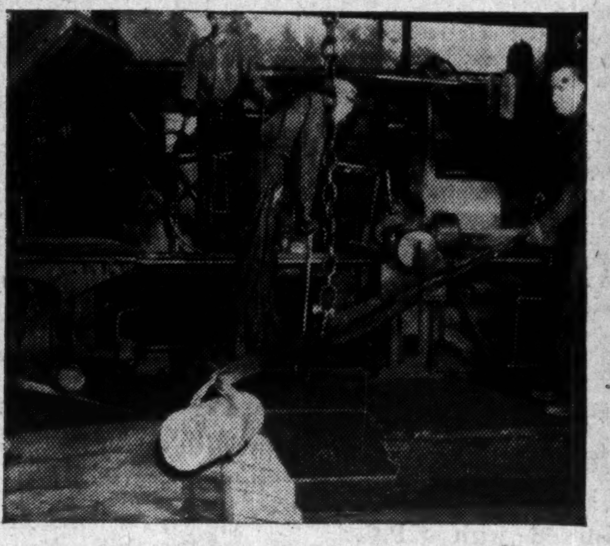
At the annual meeting, shareholders approved the revision of the general by-laws, bringing them up to date. Previous revision was 1923. At a subsequent special meeting, revision of special by-laws was approved.



When grain size and physical properties of metal are so important in the making of war products, the metallurgist is a key man. One is shown here using spectrograph for checking alloy composition.



This machine rolls copper down to a thickness of .003 of an inch to be made into radiator fins for Canada's war vehicles.



A heated billet ready for the extrusion press where it will be stretched into a long copper bar for shell fuse caps.

The men of Anaconda are aware and proud of the important role they are playing in Canada's war effort, with plant operating day and night. Here is shown three men in the casting department "lighting up" after their shift.

COPPER ESSENTIAL TO WAR PRODUCTION

More and more as our war effort progresses, Canadians are realizing the importance of copper as an indispensable ally in turning out the tools for victory.

Military writers have stated that copper, steel, oil and wheat are four of the most important commodities that nations at war must command in order to assure success.

The British Empire is fortunate in having great resources of all four products. Especially valuable is the quantity of copper—which one can *now* almost term "precious metal." We're fortunate, too, that in the Dominion, there are plants which, over a period of years, have become masters in copper refining, processing and fabrication. These same plants now become essential war industries upon which the government has called for an all-out effort. The government has not been disappointed.

Typical of one of these essential war industries, which, although not manufacturing a finished war product, has nevertheless an important function to fulfill as supplier of copper and its alloys in various forms of manufacture, is Anaconda American Brass Ltd., of New Toronto.

In years of peace it made non-rusting sheet, wire, rods and tubes to be fabricated into a variety of items for household and industrial uses, as well as copper roofing, pipe, tubes and other building products. Today over seventy-five per cent of the greatly increased output of the expanded plant is turned to war production.

It is hard to think of a single instrument of war—or even a part of a single instrument— that does not depend for complete success of its function on either copper or one of its alloys. The merchant and battle fleets are both heavy users of copper. The metal is required not only in the construction of the ships, but also in their navigation instruments, and for all heavy projectiles, anti-aircraft shells and torpedoes.

In the aircraft industry . . . in a thousand or more items used in every bomber and fighting plane sent to Britain . . . in tanks and army vehicles of all kinds, copper and its many alloys are essential components. Guns of all sizes, shell cases and cartridges require in their manufacture millions of pounds of copper. A goodly amount, too, goes into the manufacture of signal and radio equipment. Copper, brass and bronze must also be provided for the soldiers' equipment including buckles, buttons, kits and gas respirators.

In shell manufacturing plants, you will be struck with the co-ordination of effort being carried on in industry to-day, one plant complementing another, fitting in and working together like the wheels of a well-balanced watch. In an all-out war effort each such organization is called upon to do that thing which it can do best. In receiving supplies from various sources, the shell finishing plant must be assured of prompt and regular deliveries, for one missing part will hold up hundreds of employees. In war time there is no room for inefficiency or bottlenecks.

As an example, one of the last processes in making twenty-five and sixty pound shells at a munition plant in Toronto is putting on the drive band of the shell, a cylindrical section of copper that goes around the projectile. This band engages and follows the spiral groove or rifling in the bore of the gun, imparting a rotating movement to the projectile essential for accuracy. Copper, being soft, is used because it will not cause excessive wear to the rifling.

These copper bands are supplied by Anaconda and represent only one of the products this company supplies to other war industries. In appearance it is but a simple metal ring, but each one comes in for careful control through the plant, from the time the raw copper is received from Copper Cliff until delivery of the finished product is made to the shell manufacturers. The billets are heated until red hot, pierced through the centre, and emerge in the form of a tube which is cold drawn to the various sizes required by different calibre shells. They are later cut to length on an automatic saw, to tolerances of only .010 to .020 of an inch, so that the bands will be firmly seated in the groove of the projectile where they play such an important part in the accurate fire of the gun.

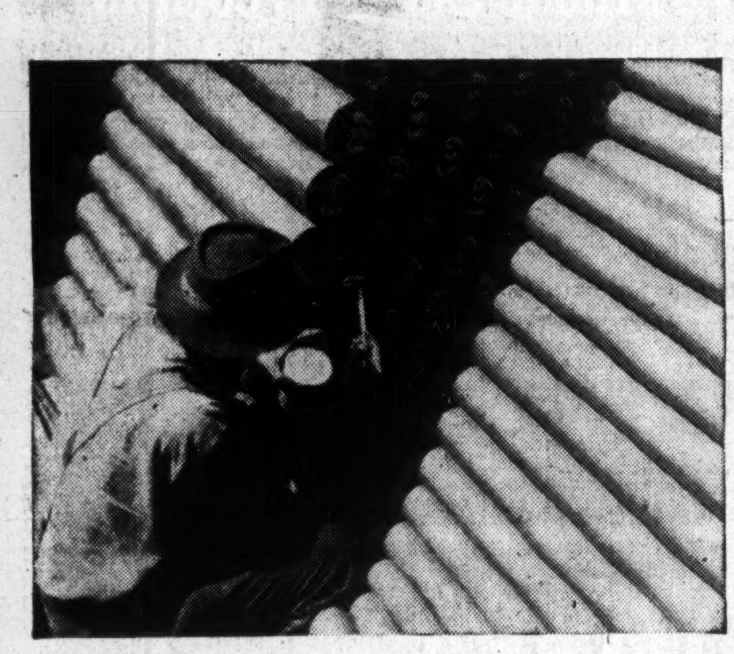
Not only has the company been called upon to supply tons and tons of copper in various states of fabrication, but also great quantities of brass, an alloy of copper and zinc. This metal has properties that cause it to be used almost exclusively for cartridge or shell cases of all "fixed ammunition" from the calibre .303 rifle to large anti-aircraft shells. Fixed ammunition is the most common type, in which the bullet or projectile and cartridge or shell case form a single unit.

Brass for cartridge cases must meet exacting specifications. Infinite care in fabrication and annealing are necessary to attain the desired qualities. The brass has to be soft enough to expand yet it must not crack or split, even at the high pressure encountered. As shells and ammunition generally have to be stored for long periods of time and be carried overseas to the many points of the globe, the rust and corrosion-resisting properties of brass guard against deterioration.

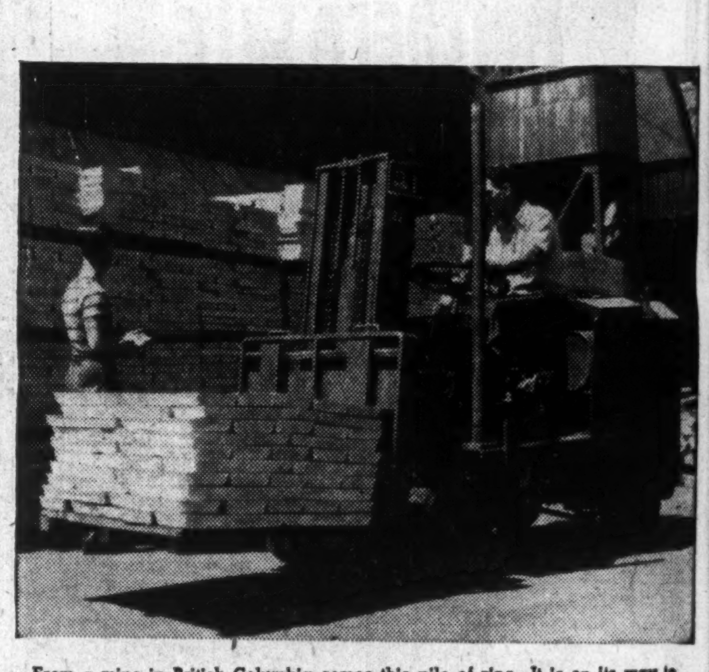
And so it is that because of the important part that brass plays in our war effort, one is able to appreciate why such careful laboratory control follows all steps in the making of this alloy in the plant of Anaconda. In the casting shop copper from Ontario mines and zinc from British Columbia and Manitoba are melted together and poured into brass cakes for rolling and punching out into circular discs to be further fabricated by another plant into actual shell cases. Plant and government inspectors check each individual disc for surface defects and accuracy in thickness.

And so copper, which has been one of man's most useful metals in the arts of peace, may, by its use in war, be a big factor in bringing about a return to a world-wide order based on the democratic way of life.

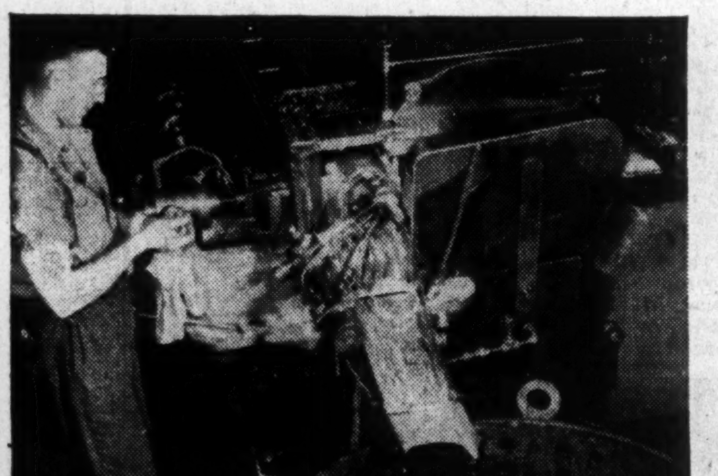
Published in the interests of public information through the co-operation of a leading Canadian industry.



Copper billets from Canadian mines are given a lot number on arrival at Anaconda. This copper will be fabricated into drive bands for shells.



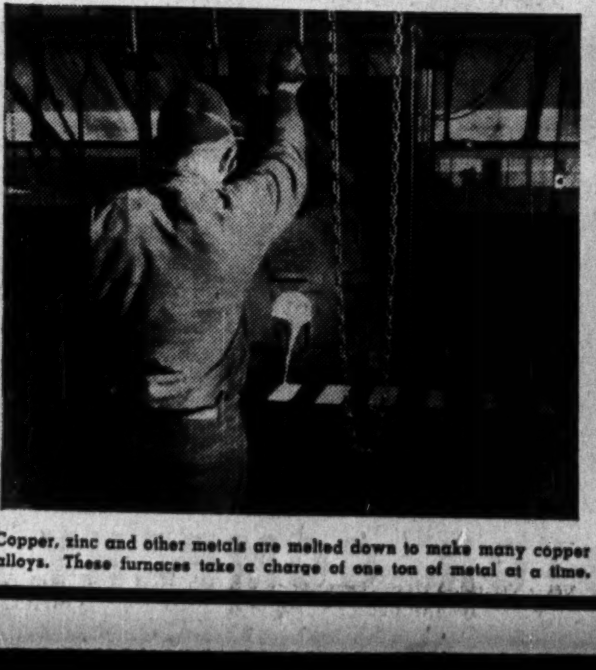
From a mine in British Columbia comes this pile of zinc. It is on its way to the casting department where melted down with copper it becomes brass, an important alloy in the making of cartridge and shell cases.



This automatic saw cuts rotating bands for shells at the rate of one thousand an hour to tolerances on length from .010 to .020 of an inch. They call for as great a care in manufacture as the delicate parts of a watch.

This cake of brass, weighing about 400 pounds, is being cold rolled to a specific thickness for shipment to plants manufacturing anything from shell fuses to buckles and brass buttons.

General view of tube mill looking from finishing department towards the draw benches and annealing furnaces.



Copper, zinc and other metals are melted down to make many copper alloys. These furnaces take a charge of one ton of metal at a time.

Plant and government men inspecting discs before shipment to shell plants for further fabrication into ammunition casing.

Each hour this press blanks out one thousand brass discs for shell cases. The metal bar has been rolled down from 5" to 1" in thickness.

THE FINANCIAL POST

Largest Circulation of All Canadian Financial Papers

Vol. XXXV | Member of Audit Bureau of Circulations | PUBLICATION OFFICE: TORONTO, NOVEMBER 8, 1941 | 10c a Copy; $5.00 a Year | No. 45

Mystery Armies of the World War

Can Epidemic Change History Today as in the Past?

By WILFRID SANDERS
Staff Writer, The Financial Post

A tiny, upcountry, Chinese village is laid low with a strange death.

While villagers are still burning joss sticks or beating gongs to placate or frighten off the bedevilling spirits, scientists in Tokyo, Berlin, London, New York are studying details of the outbreak. They are worried. Is this report the first tense chapter of a tragedy which will shake the world, changing the course of history?

The second world war between men is starting its third year. The world's war against epidemic has been waged for hundreds, thousands of years.

News of the plight of the tiny Chinese village is spread by runner, telephone, radio or mail to all corners of the scientific world. Within two weeks at the most, trained personnel the world over knows of it, thanks to the Epidemiological Intelligence Service.

The shadowy depths of the far east have for centuries been the starting place of epidemics which have swept eastward across the world. Today, in Singapore, is centered the work of this intelligence service, including a powerful radio which flashes news to doctors to missionaries, and to ships at sea.

All this is supplemented by the weekly bulletin of the Health section of the League of Nations. One may read that within two weeks of publication a man died of cholera near Shanghai; that yellow fever took a life at Freetown; that there were six cases of typhus at Rangoon.

This organization is one of the few lasting monuments to the ill-fated League of Nations. So universal is the fear of epidemic, or pandemics, that even axis countries co-operate in the dissemination of information. United States, never a member of the League of Nations, forms part of this organization.

Such high-geared systems for spreading news combine to form the one big hope the world now has of preventing an outbreak such as the so-called "Spanish influenza" of 1918—it had no more to do with Spain than with Canada — the typhus epidemic which for six months in 1915 paralyzed all military activities on the Serbian front; cholera, which, some historians believe, vitally affected the history of this continent; yellow fever; or perhaps some disease not even as yet given a name.

Is it probable, possible, improbable, or impossible, for an epidemic, or pandemic (which is simply an epidemic running hog-wild across national and international boundaries), to break out this winter, or next spring? If such a development is probable, possible, or even improbable, what is the most likely type? Where is it most likely to occur, and what can be done about it?

The layman does not get very far in seeking an answer to these questions without realizing that, although laymen are the very stuff of which epidemics are made, the subject is so complex, so beclouded with qualifications, "ifs" and "buts" that it is an extremely difficult one to tackle, even in a general way. But there are some interesting facts tangible enough to be brought within the confines of an article.

Of Concern to Industry

From a strictly domestic point of view, the subject is, of course, of very vital concern to industrialists and businessmen, even in normal times. It is particularly vital during an all-out war effort, when one man at a lathe might be almost irreplaceable. Even during a normal year of sniffing and coughing, the average Canadian worker loses 80 hours from sickness. Taking an estimated 3½ million wage earners in Canada this year, this means an average of 280 million man-hours lost. And this may not be a normal year of sniffing and coughing.

During an epidemic, of course, this loss is multiplied many times over, and might easily do far more to wreck an industrial war effort than all the harm the enemy could conceivably muster by way of bombing and sabotage.

The Silent Enemy

Here we have the unknown factor of war, the silent deadly enemy, which has no ideology, no front line, makes no formal declaration of war, differentiates not at all between combatants and non-combatants, is equally deadly in the home, factory, or front line, and is completely beyond, and almost impervious to, the best laid plans of mice and men.

In a world sense, greatest interest right now in the possibility of epidemics or pandemics, centres on the wholesale effect such an outbreak might have on the present pregnant moment of world history. It would not be the first time that viruses so small that some of them cannot be seen with the most powerful microscope, have cut across the blueprints of mankind, making of them meaningless scrawls. Even in this comparatively disease-free country, history has been made by epidemics. In the wars between the French and the English, between Americans and English, typhus, cholera, and smallpox have vitally affected the outcome. Just one example:

In 1690, the English, having captured Acadia, planned to lay siege to Montreal and Quebec, then held by France. The attack was launched by land and sea. Smallpox broke out in the English fleet, and among the land forces. Men died on the march. Morale was badly shaken, and the force marching on Montreal disbanded. Defeat and disease combined to make the naval attack a bitter fiasco. The affair was called off, and New France saved.

Plague danger used to centre on sea-going rats who sought a spell ashore. Now this continent has its own carriers in rats and ground squirrels. Special metal cones are used by ships in dock to prevent rats boarding and leaving ships by a favorite gangway — the ship's hausers.

Today, of all the clashing forces in the world, Nazism probably has more to fear from outbreak of disease than any other. Sprawled across Europe, with millions of men herded together, a shortage of wholesome food, doctors and supplies, Nazi-dominated Europe is an inviting place for typhus, cholera influenza, or perhaps some pestilence not yet known.

A year ago, a gloomy democratic world, and doubtless a hopeful fascist one, was forecasting an outbreak in bomb-wracked London. The anticipated epidemic did not come, and, a few days ago, Sir Wilson Jameson, chief medical officer of the British ministry of health, quietly reported that in England, most infectious diseases were on the decline. In fact, at the end of the second year of war, "we have every reason to be thankful for the health of the country."

This report is striking, in several ways. It shows how unpredictable disease is. It also illustrates what an important part supplies, expert care, and public awareness play in today's war against disease. Failure of an epidemic to materialize in blitzed Britain last winter and spring is attributed to a good (by comparison with other countries) supply of doctors, nurses and medical equipment, and to application of modern dietetic principles to as great a degree as possible.

The situation is entirely different on the continent. Could Yugoslavia, for example, muster corresponding forces against disease? Does the Nazi policy of draining off all available food supplies for consumption by the self-styled "super race" lend itself to a strong, disease-resistant population in the conquered countries? The answer is obviously negative, and in the answer lies the greatest danger of an outbreak of disease on continental Europe.

As far as Canada, and the rest of this continent is concerned, medical science can see little reason to fear any of the major forms of epidemics, with the exception of influenza, and its running mate, pneumonia. While Europe and Asia are admittedly wide open to cholera, typhus, etc., many factors serve to protect this continent from such diseases. One such factor is the quarantine service maintained by the Department of Pensions and National Health at all ports of entry. Epidemiologists with whom the writer spoke were warm in their praises of the efficiency of such service. Another factor in protecting this continent is that cholera and typhus have very short incubation periods, which are the periods between implanting of an infectious disease and its manifestation. It is therefore improbable they could survive the normal transatlantic crossing period. Growing use of airplane travel, however, might change this picture. This is one of those qualifications referred to.

Term a Loose One

Influenza, then, looms largest on Canada's health horizon at the moment, and medical men generally concede—again with qualifications—that conditions are more favorable for a 'flu outbreak than they have been for 20 years—or since the disastrous outbreak of 1918-1919, when many more persons died of influenza and pneumonia than the massed armies of the world had been able to kill in four years of war. Reasons for this outlook are several. Once again vast numbers of men are crowded together in nearly every country of the world, in army huts, tents, and barracks. Once again large numbers of mankind are experiencing lessened resistance from poor diet and housing. Some epidemiologists believe, moreover, that after every major outbreak, the human race builds up antibodies, or resistance to that particular disease. This resistance gradually wears out as the epidemic fades into history. In recent years, the occurrence of milder forms of influenza seems to have been rising each year.

Right here, perhaps, it should be pointed out that the term "influenza" is a very loose one, and covers many different manifestations of respiratory sickness. The term shades off into the common cold when it is not dangerous, and into a form of pneumonia when it is. In 1933, a virus was separated in England, and later in U.S.A., which has been preserved for long periods in a laboratory and which when passed back into human beings gives them influenza. Science can only guess as to what relationship, if any, this newly identified influenza has to the 1918 type. If a recurrence of the 1918 outbreak comes, the relationship may be discovered, but probably not before. This newly identified type has been called, for convenience, "influenza A."

Experiments have indicated that, in mice and ferrets, inoculation can build up resistance to influenza A. Experiments, as yet inconclusive, are now under way to determine how great a degree of resistance can be built up in humans.

Cucumbers and Potatoes

Here then, lies a hazy, unproved, hope for coping with a flu epidemic if and when it comes. In the main, however, doctors say their advice in the face of a new outbreak can be little changed from what it was in 1918 —go to bed and rest, keep warm, eat lightly, and so on.

Putting all the new weapons against influenza together, and what have you got? More complete organization for disseminating news of an outbreak throughout the scientific world and the possibility—a rather vague one —that a means has been found for building up resistance through inoculation.

Not a very impressive array. Perhaps we should add that possibly fewer persons would rely on a piece of camphor in a bag around their necks, or a potato carried in their pocket, or a cucumber on their ankle, as was done in 1918.

But the fact remains the world today has no indisputable evidence that it is less helpless against a pandemic of influenza than it was 20 years ago.

What about the other diseases with which the world has been swept from time to time? Geddes Smith, in his recently published work "Plague on Us," sums the situation up in a paragraph:

"The diseases stopped in their tracks by the use of vaccines or antisera are few, and those still unpreventable by such means are many. One can get first-rate protection against smallpox and diphtheria, and possibly yellow fever and typhus; second rate protection against plague, cholera, typhoid fever, and tetanus. We are not sure about whooping couph, even less so about pneumonia. Against influenza, malaria, syphilis, tuberculosis and dysentery, against infections with the streptococcus, staphylococcus, meningococcus, and 'influenza bacillus' immunology has as yet nothing decisive to offer in the way of prevention, and not too much in the way of cure."

One of the reasons why science considers an epidemic on the continent as a possibility, is that when a country is invaded, one of the first things that happens is that its public health organization is thrown almost completely out of gear. This has been shown over and over again as the swastika forced itself on country after country.

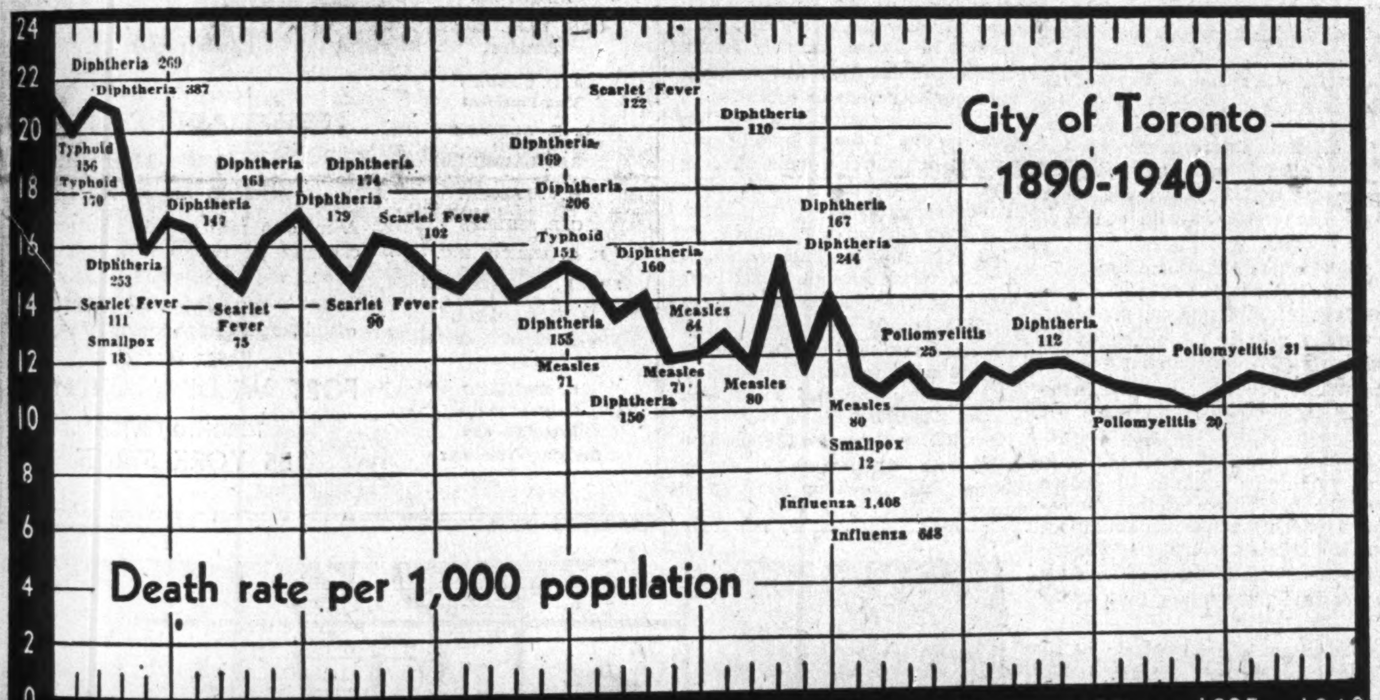
Supposing, then, that Hitler moved into India, as is at least possible. India is the home of cholera, bubonic plague, and other diseases, and careful safeguards have been built up over the years to cope with this ever latent menace.

Bubonic Plague

Perhaps a word should be said about this bubonic plague, about which whispers are heard from time to time. The fact is that for years bubonic plague has been known to exist on this continent. Starting at the Pacific coast, sea-borne plague has for a number of years been creeping eastward and north but—and here is the important thing to remember—there have been no epidemics. As one Canadian epidemiologist put it, "there is nothing secret any more about bubonic plague —except the reason for the absence of epidemics." He pointed out that London and Liverpool had "the right kind of rats and the right kind of fleas," but had not had an epidemic in years. From time to time, on this continent, a drive is made on rats, and plague-bearing fleas found. Nor is the plague wholly dependent on rats. Ground squirrels have been caught and found to be carriers of plague-ridden fleas, even in this country.

To sum up, there is no cause for alarm about epidemic on this continent. There is a possibility for an outbreak of certain disease, particularly influenza. But until it comes, there is little we can do about it except watch—and we can safely leave the watching to that little band of scientific researchers who are spending their days doing just that. In Europe the outlook is blacker, and, as Dr. Ronald Hare, of the Connaught laboratories said in an article in the Canadian Public Health Journal recently:

"When the sirens moan, . . . and the inhabitants of Europe go below to their shelters, they may do well to recall with Laertes: " 'Contagious blastments are most imminent, [illegible]' "



—Chart by T. Edwin Ashton, statistician, Department of Health, Toronto.

Chart shows progress of the war on disease in typical Canadian city.

The Plow—and Second Battle of Britain

British Farming Undergoes Dramatic Change

Herewith a second article written expressly for The Financial Post by Colonel George Drew who has just returned from an extended visit to the United Kingdom. A trained observer as his many newspaper and magazine articles have proved and enjoying an entrée to the very best-informed circles, Colonel Drew gives an unusually clear and comprehensive picture of Britain's wartime agricultural revolution.

By COLONEL GEORGE DREW

While miracles were being performed in industrial production in Great Britain, a far less dramatic but no less remarkable change was taking place in the basic field of production—agriculture.

As the loss of ships mounted at an appalling rate never reached during the Great War home grown food became almost as imperative a need in the war of survival as weapons themselves.

When the largest food crops in all their history were harvested this year, British farmers had won a second battle of Britain, only slightly less important in its ultimate consequences than the mighty Battle of Britain which was won a year ago by the R.A.F. on which memorable occasion Winston Churchill coined the famous tribute that never in the annals of warfare had so much been owed by so many to so few.

That did not just happen because Providence smiled upon our cause. It was the result of the complete mobilization of British agriculture for war under a system that in many ways is revolutionary and is already being copied to some extent in the United States and elsewhere.

As a result of this organization 8 million additional acres of land were seeded for food crops. But it was not merely this enormous increase in producing acreage which told the story. There had been an improvement in agricultural conditions generally throughout the British Isles which was no less remarkable, and which will in the long run be of the utmost importance to British farmers.

I believe the organization of British agriculture is on the whole perhaps the most remarkable of their war achievements. Surprisingly little has been said about it, and yet in this case, there was nothing haphazard about it and careful plans were laid long before the war began.

So many people who did nothing whatever themselves to help in meeting the threat of war have been so noisy in their criticism of Britain's failure to make any preparations, that it is good to recall that there had been a good deal of preparation and much of it was done extremely well. No matter what happened in other fields of national activity, the plans for the wartime organization of agriculture were well laid and have been carried into effect with remarkable success.

"Parish by Parish"

In the spring of 1939, about six months before war began, the Minister of Agriculture completed plans under which it was decided to set up War Agricultural Executive Committees in each county with wide powers to increase production and improve agricultural methods.

By the beginning of May, chairmen had been appointed in each county who had in turn selected a Provisional Committee made up of outstanding farmers throughout the county. In each case well-known representatives of the farm workers and of women's organizations were also appointed to these provisional committees.

I have before me one of the original letters sent out May 12, 1939, to every farmer in the county of Kent. Similar letters were sent to every farmer in every other county.

The letter started by explaining that the writer had accepted the invitation of the Minister of Agriculture to act as Chairman of the County Committee. He then went on to say that he had received the assurance of support of the County Council and of other well-known agriculturists in the county.

Of Invaluable Aid

The letter then went on to say, "I should like to be able to formulate some idea of the position of agriculture in the County, parish by parish, and the extent to which the arable acreage could be increased and what assistance by way of labor, implements or otherwise, would be necessary to secure that increased acreage under crop production."

The letter then asked farmers to provide exact description of the farm, the acreage of arable land, fruit plantations and orchards, hops, permanent grassland, rough grazing, downland, and woodland. It sought particulars of the number, age, skill, and time of employment of all workers on the farms. and complete information regarding all classes of stock and poultry. Then after a number of other questions, the farmer was asked what additional assistance he would require by way of workers, implements or otherwise to increase the food supply from his farm. I may say that I had ample evidence that this information was of the utmost importance and was acted upon wherever possible.

The County Committees throughout Britain made their plans on this information. The forms in the various counties varied according to the nature of the production, but the method was the same. The Minister of Agriculture gave general instructions as to the type of increased production upon which the greatest emphasis should be placed but left the details to the County Committee. As a result of these plans, carefully prepared dur-

[Continued on page [illegible]]

A little publicized, but far-reaching revolution has occurred in British agriculture, and for this plans were laid before the war. The writer sees many important lessons for Canada in these startling changes. Not only is the new system having tangible results in terms of production, but wide powers granted local committees, including power to dispossess inefficient farmers, are welcomed by the individualistic British farmers, says this writer.

Big Change in British Farming

(Continued from page 11)

ing the summer of 1939, instructions were sent out to the farmers of Britain immediately after the outbreak of war telling each what was to be done to increase and improve his war production.

At the outset the emphasis was naturally laid upon increased production and the very wide powers conferred upon the committees by emergency legislation were employed where necessary to enforce compliance with instructions. Later, as more of the available acreage came under crop, emphasis was laid on improved methods.

May Be Guide to Us

At first there was some objection to this arbitrary "regimentation" of what has always been the most individualistic of all human effort. But those objections were on the whole fairly limited and diminished as it became apparent that the committees were anxious to co-operate in every way possible, not only in the enforcement of increased production but also in the improvement of agricultural conditions and in providing assistance to farmers who were having financial or other difficulties in the operation of their farms.

It is not possible within the scope of this article to attempt to do more than summarize the general nature of the organization and the way these committees operate. But I would like to attempt to convey some impression of the situation which now exists, because I believe the very complete organization which has been built during more than two years of war will not be dropped when the war is over and may well offer many suggestions to us for the future.

The county committees have the power to give instructions to any farmer that he must change his method either in whole or in part; that he must plow up his grassland; that he must give certain fields a rest; that he must increase or decrease the stock on his farm; that he must use certain quantities and types of fertilizer; that he must, in fact, do any of the things which are essential for the best type of farming having regard to the character and quality of his land.

If the farmer refuses to carry out these instructions or continues to farm his land inefficiently, the committee has the power to dispossess him of his land.

This does seem like a revolutionary change in Britain of all places, where a man's right to deal with his own property as he saw fit has always been looked upon as an essential right.

Threaten Dispossession

It may be of interest if I give the contents of the copy of a letter I have which went out in September to a farmer in Kent. The names are fictitious, otherwise it is an exact copy of an actual letter:

County Hall, Maidstone.
5th September, 1941.

"Dear Sir:

"Cultivation of Lands Orders 1939.
"Defence (General) Regulations 1939.
"Coldharbour Farm, Tenterden.

"The Executive Committee has received the report of the recent survey of your holding made by Messrs. Smith and Brown, on the Committee's behalf.

"The report indicates that the general management of the farm is unsatisfactory and as a result its production of food for the nation is by no means as great as it should be during the present state of emergency.

"The Executive Committee has accordingly decided that an inspection of the holding should be made by the Chairman, and Members of the Executive Committee on the 12th September next at approximately 3.15 p.m. with a view to deciding whether your occupation of the holding, (including any buildings) should be terminated.

"I am to ask you to arrange to be represented when the inspection is made, so that any observations or representations you may wish to make may be heard.

Yours faithfully,
T. Jones, Executive Officer."

In that particular case I happen to know that the inspection resulted in an order for dispossession. That does not mean that the owner, if the occupier is the owner, loses his land. It means that he is dispossessed and that a tenant is found for the land by the Committee and a lease arranged whereby the new tenant pays rental to the owner for the duration of the war and three years afterwards.

To some people it may seem that this is regimentation of an extreme character. To some it may seem that this savors of state socialism to a point which had not been expected in England, particularly in relation to the use of land. But I found hardly anyone in Britain who was prepared to agree with that proposition and I found that most of the farmers are extremely enthusiastic about the way this whole plan has worked out.

Welcomed By Farmers

I attended meetings of Executive Committees in many parts of England and Scotland. I visited some of the best known farming areas of the British Isles with the chairman of the particular counties in which those areas were located. I found that the whole plan is working in a spirit of co-operation which has convinced the farmers themselves and, in a majority of cases even those who have to some extent suffered from the powers conferred upon the committees, that the arrangement is in the best interests of the nation as a whole and definitely in the best interests of the farming population.

The farmers generally now welcome the assistance of the members of the Committee and of the experts acting under their control and have found that with this assistance they are able to increase their crop production and to improve the quality of their stock.

It should be pointed out that all members of the Executive Committee serve voluntarily and that no one outside the Executive Officer who is almost invariably an agricultural employee of the County Council, is paid anything. This is very important because the very fact that the men and women serving on these Committees are giving so much of their time voluntarily is in itself the best assurance of their good faith. It was explained to me on several occasions that one of the most important features of this organization is the appointment of Liaison Officers who keep the Minister of Agriculture informed of special conditions in the counties under his supervision. Some county may develop a particularly satisfactory method of co-operation in a particular line. Through the fact that the Liaison Officers try to attend the meetings of all the committees in their counties they will learn of the development and consequently improvements in method are brought to the attention of the Department of Agriculture at the earliest possible date.

I had the pleasure of meeting R. S. Hudson, the Minister of Agriculture, several times and he impressed me as one of the ablest and most vigorous of the British Cabinet Ministers. It has taken courage to do many of the things he has done. It has taken a great deal of tact and patience to avoid any impression of arbitrary measures which would savor of the despotism of our enemies.

But I am convinced that no feeling of this kind exists among the farmers of Britain. I am convinced, on the contrary, that agricultural conditions were never as good as they are in Britain today. The crops this year and the appearance of the farms generally throughout Britain gave one the impression of solid agricultural prosperity. But quite apart from the appearance which met the eye was the fact that the many farmers to whom I spoke all assured me this was the best thing that had ever happened to British agriculture, both from the point of view of war production and the long term welfare of the British farmer.

Careful examinations of the farms are being made regularly and complete reports prepared with the result that there is available today accurate statistical information in regard to the farms, the farm population, and to the farmers themselves.

In the light of that information the Government is establishing prices for all farm products on the basis of real cost plus a reasonable profit. This has worked to the complete satisfaction of the farmer and the general public as well. Steps have also been taken in co-operation with the Ministry of Food Supply to assure orderly marketing of livestock and food products.

The government has taken the position in fixing farm prices and managing distribution that a sound foundation for the agricultural structure should be provided before putting up the ceiling.

I have not attempted to make this more than a general survey of the picture. The details are of the utmost importance but I hope that this summary will convey some impression of the extent of the organization which has taken place. I do hope that no one will have any idea that Britain is just "Muddling Through," in their organization of wartime agriculture. I doubt if any nation at any time has done a more efficient job. And above everything the feature which impressed me was the fact that so long as it is not inconsistent with wartime production, the future is always being kept in mind.

I think the attitude toward the whole programme from those in control down to the humblest farm hand can best be summed up in a recent statement of the Minister of Agriculture.

"In these days it is heartening to remember that the farm lands which have survived every crisis since the dawn of our history will come out of this war better equipped, better planned and better appreciated than ever before.

"We have a unique opportunity to build a new Britain for children on the sound foundation of prosperous agriculture. It is an opportunity we must not miss."

Brompton Going Ahead With Plans For Acquiring Lake Sulphite

From Our Own Correspondent

MONTREAL. — Shareholders of Brompton Pulp and Paper Co. and St. Lawrence Corp. will meet Nov. 10 to pass on a special by-law authorizing directors to borrow up to a maximum of $5 millions in connection with the proposed acquisition of the bankrupt Lake Sulphite Co. properties at Red Rock, Ont.

In the notices calling the meetings it is pointed out that arrangements have been made with Brompton's bankers to provide $2.5 million through purchase of 5-year 5% notes of the company. These notes would be secured by the pledge of first mortgage bonds of Brompton.

Won't Need it All

It is not the intention of the directors to use all of the $5 millions to be authorized. It is explained that this amount exceeds anticipated requirements, but "it would be prudent at this time to provide for possible future capital needs."

In order to pursue negotiations and be prepared to consummate them it will be necessary for Brompton not only to provide for payment of the purchase price of the property, but also for additional funds, estimated at $2.5 millions, to cover the cost of installation of the required plant and equipment at Red Rock.

Sees Value in Plan

Commenting upon the proposed plan, P. H. Scowen, general manager of Brompton, states that in the event of negotiations being satisfactorily concluded, this installation will fit naturally into the present manufacturing and selling operations of Brompton.

"Production from this plant," he states, "will not only lend appreciable aid to Canada's war effort, but will provide needed productive capacity for the conduct of this company's normal business after the war, and is expected to affect earnings favorably."

Enquiry of the receiver for Lake Sulphite Pulp brings the admission that while there have been negotiations, no definite proposal has been received from Brompton.

Moreover it is quite possible Brompton will not have the field to itself, as other groups have been eyeing the property for some time. Now, because of Brompton's announced interest in the property, it is expected there will be competitive bids.

Sweezey Out of Brompton

Along these lines it is understood R. O. Sweezey, original promoter of Lake Sulphite and a director of Brompton, has resigned from the board of the latter company because of conflicting interests.

The official notices issued by Brompton and St. Lawrence Corp. have been received with considerable interest.

Directors Not Unanimous

In his letter to St. Lawrence shareholders, A. K. Cameron, president, says the plan is recommended by directors of Brompton and:

"While your directors are in no way legally obliged to place the proposal before the shareholders for their approval, they prefer to do so in this instance by reason of the importance of the transaction under the unusual conditions now obtaining. A majority of your board of directors recommend the proposal for your approval at the coming meeting."

Brompton is a subsidiary of St. Lawrence Corp. At the end of last year St. Lawrence held 298,107 of Brompton's 300,000 shares outstanding. There is no bonded debt or preferred stock outstanding.

For the last four years Brompton has been the only source of income for St. Lawrence Corp.

May be Opposition

There is the possibility of opposition to the Brompton-Lake Sulphite deal by St. Lawrence shareholders.

Whether or not it will be an organized opposition is rather doubtful in view of the short time between the calling and holding of the meeting—11 days.

Reasons for Opposition

Opposition to the plan, if it develops, will come naturally from St. Lawrence shareholders, it is said, and may be based on the following points:

(1) There are heavy arrears of dividends on St. Lawrence "A" stock—nearly $60 a share. Brompton, the company's only source of income, is now working into a position where it can make substantial payments to the parent company. There would be no income from Lake Sulphite, even under the most favorable circumstances, for a couple of years.

(2) The credit of Brompton would be used to finance the deal. Moreover the property of Brompton would be bonded. In the event Lake Sulphite did not turn out to be as profitable a deal as expected, Brompton might be saddled with this additional debt to the detriment of St. Lawrence "A" shareholders.

(3) Neither the plant or timber limits of Lake Sulphite fit into the operating picture of Brompton. The only tieup, it is claimed, would be a central selling agency for the output of Lake Sulphite.

(4) Lake Sulphite's attraction is based upon conditions brought about by the war. If the war were to be over in six months or a year's time, Brompton would have a serious problem on its hands. Lake Sulphite is only attractive as long as the war lasts. Once the war is over, the Scandinavians will be in the market again and the profit possibilities of Lake Sulphite may undergo sharp shrinkage. These are the views expressed by some of those who do not like the proposed deal.

Other Side of Picture

There is the other side of the picture.

The Lake Sulphite property is attractive, especially if it can be had for a few cents on the dollar. The plant site is well located. The company has excellent timber limits. There is a demand for sulphite pulp.

At the present time it is possible for Brompton or any other group that can swing the deal to get very considerable concessions from governmental authorities who are anxious to see the plant completed and put into operation.

Ontario Ready to Help

It is understood the Brompton interests have been assured of an arrangement with the Ontario government whereby they will get power on very reasonable terms. Moreover they may be offered concessions as to cutting on the government-owned timber limits.

The federal government would like to see the property in operation and the output sold in the United States in return for American dollars.

To that end there is little doubt but that Ottawa would give the new owners priority as to supply of equipment and tax exemptions, through permitting the company to write off substantial amounts for depreciation.

Present Market Good

Just now with the North American supply of the higher grades of pulp tight, and in some instances short, there would be no trouble in marketing the output of Lake Sulphite on favorable terms.

Depending upon the type of deal that could be made with the receiver and government authorities, Lake Sulphite costs could be kept down to a very low figure which would place it in a comparatively strong position to meet after-war competition from Scandinavian countries.

That such a competition will develop, no one in the pulp and paper industry doubts for a moment. It is a fact, therefore, that must be taken into consideration.

Lake Sulphite's Position

There is no official information as to what terms Brompton has been discussing with the receiver of Lake Sulphite Pulp.

Lake Sulphite has outstanding some $2 millions of trade credits, of which claims admitted might run around $700,000.

In addition there are $1¼ million of 6% notes, which were not offered publicly but taken up by a small group.

Common stock outstanding amounts to 150,000 shares which were sold to the public at $25 each.

Little for Common

The Financial Post understands that on the basis of talks between Brompton and the Lake Sulphite receiver, the offer for the property would not leave anything for the common shareholders after settling claims of trade creditors and noteholders.

Whether such arrangement will be carried out remains to be seen. As mentioned, others than Brompton are interested in the property. They have not presented any concrete proposal to the receiver. Having in mind the turn which has taken place in the affairs of Lake Sulphite, it is more than likely Brompton's action will speed up definite proposals to the receiver from other groups.

JAMES W. SEWALL
Ruttan Block, Port Arthur, Ont.
Timber Cruises and Valuations
JAMES W. SEWALL
Old Town, Maine
PHILLIPS & BENNER

Canadian Resin Starts in 1942

From Our Own Correspondent

MONTREAL. — Canadian Resins and Chemicals Ltd., a newly formed company jointly owned by Shawinigan Water and Power Co. and Union Carbide and Carbon Chemicals Corp., is now erecting a plant at Shawinigan Falls for manufacture of polyvinyl chloride resins.

Production is expected to start in the spring of 1942, and output will consist principally of polyvinyl chloride and copolymers of vinyl chloride and vinyl acetate. These resins are exceeding strong and tough and are resistant to water, alcohols, acids and alkalies, and many organic chemical compounds. Their high degree of chemical inertness makes them particularly valuable in applications where resistance to corrosion from water and chemicals is desired.

Officers and directors of the new company are J. A. Rafferty, chairman of the board of directors; V. G. Bartram, president and director; J. G. Davidson, H. S. Reid, J. W. McLaughlin, H. W. Matheson, vice-presidents and directors; J. F. H. McCarthy, secretary; J. A. Fuller, treasurer.

Bond Sales

TREASURY BILLS

Latest sale of Dominion of Canada Treasury Bills was again effected at a fractionally higher interest rate than that of the preceding sale. Both the latest sale and its precursor, each for $45 millions, involved an increase in the total amount of treasury bills outstanding, the former bringing an increase of $5 millions, the latter of $10 millions, which may account in part for the moderate decline in price. The latest issue, dated Oct. 31, and due Jan. 30, 1942, sold for 99.86404, an average yield of 0.546%, comparing with the preceding issue at an average yield of 0.542%.

• • •

DRUMMONDVILLE, P.Q.

A. E. Ames & Co. announces the purchase of a total of $31,000 in 4% installment debentures of the city of Drummondville, Que. Of the total, $21,000 is to mature Nov. 1, 1942 to 1961, the other $10,000 matures Oct. 1, 1942 to 1951. Purchase price for the entire issue was 100.16.

• • •

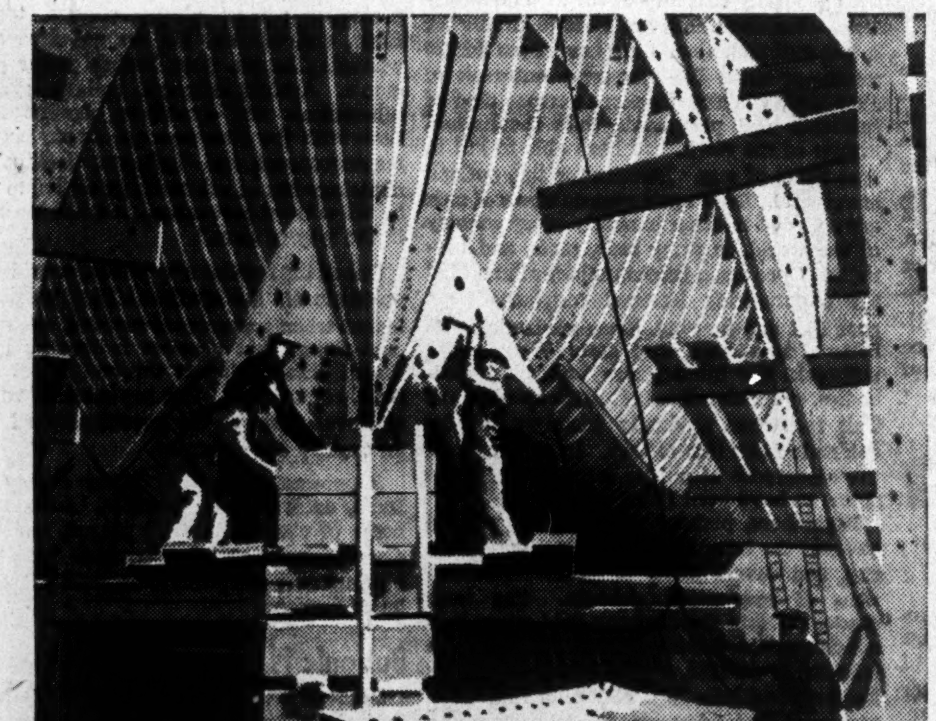
EAST ANGUS, QUE.

To Savard, Hodgson & Co. and the Banque Canadienne Nationale have been sold an issue of $90,000 in 4% installment debentures of the town of East Angus, Que. The debentures are to mature annually, Nov. 1, 1942-61, and were purchased at a price of 98.77.

Alberta Bond Talks To Resume Nov. 14

Resumption of the Alberta debt adjustment talks has been announced from Edmonton. Official invitation for renewal of the discussions has not been forwarded to bondholders representatives as yet, The Financial Post is informed, but it is expected negotiations will be resumed about Nov. 14 or 15.

Previous discussions began Sept. 16 and broke off for the province's discussion with the Ottawa government over the tax change proposals, after about a week. It is understood that previous conferences did not establish a basis for negotiation, although no formal announcement is available.



Thrift BUILDS SHIPS!

Where does the money come from to wage this War—to build the ships, the planes and tanks we need to "finish the job?"

Much of it comes from the savings of ordinary men and women—the thrifty people of Canada—the savers. These are the people who buy Victory Bonds and War Savings Certificates, who pay their War Taxes on the nail. Never before has personal thrift been so vitally necessary.

Watch your spending. Every dollar you can save is needed now to arm and equip our fighting forces—to win this War.

➔ This book will help you save. The Royal Bank Family Budget Book shows you how to budget your income, how to save by planned spending. Ask for a free copy at your nearest Branch.

The ROYAL BANK of Canada

A Good Name

For over 70 years the name Maclaren, in the Ottawa Valley, has stood for fair dealing and a quality product.

Newsprint—Groundwood

270,000 h.p. Hydro Power Installed capacity

MACLAREN POWER & PAPER COMPANY
Maclaren-Quebec Power Company
The James Maclaren Company Limited
BUCKINGHAM, QUEBEC

Alexander MURRAY & Company LIMITED

The GREAT LAKES PAPER COMPANY Limited

Manufacturers of HIGH-GRADE NEWSPRINT and SULPHITE PULP

A modern mill affording an annual capacity of 113,000 tons newsprint, also excess sulphite mill capacity sufficient to provide 15,000 tons annually of unbleached sulphite pulp for export.

PAPER MILL AT FORT WILLIAM, ONTARIO
TORONTO OFFICE 55 YORK STREET

DIRECTORS
HON. EARL ROWE, President
A. D. CORBAN, Vice-President
L. E. ALDRICH
RAY LAWSON
W. J. PALMER
C. B. SHIELDS
R. G. MEECH, K.C.
SEN. N. M. PATERSON
J. E. GEFAELL, Vice-president in charge of sales
C. ENGLAND, Assistant to the President and Secretary-Treasurer

Are you virtually tied to your desk these days ... no longer able to keep close personal contact with customers, suppliers, friends?

You can still give daily expression to your goodwill and good taste—still help maintain your firm's prestige by entrusting your words to the impressive surface of Superfine Linen Record—Canada's finest bond. In a busy world, the crisp beauty and strength of this 100% new-rag bond recall an earlier age, when letter-writing was a leisurely and gracious art. Superfine Linen Record will worthily represent your firm. Ask your printer, lithographer or engraver.

SUPERFINE LINEN RECORD — an enduring bond paper of supreme quality for Letterheads, Policies, Deeds, Contracts and all your permanent records.

ROLLAND PAPER COMPANY LIMITED
High Grade Paper Makers since 1882
BRANCH OFFICE: TORONTO, ONT.
MILLS AT ST. JEROME, QUE. AND MONT ROLLAND, QUE.

HELP SPEED VICTORY • BUY WAR SAVINGS CERTIFICATES

Profitable Short Date Investments for Surplus Funds

3% Guaranteed Trust Certificates
12 months

Guaranteed Deposit Certificates 2½%
$500 and over
Withdrawable on 10 days' notice

Limited sums accepted

The CANADA TRUST COMPANY

London, Hamilton, Windsor, Chatham, Regina, Vancouver
Toronto, Montreal, St. Thomas, Victoria, Winnipeg, Edmonton

No Stop Signs Yet For Bond Trend

Rising Business Volume, Not Price Rise, Basis of Bond Gains

Striking deep into the normal patterns of business life, the new wage and price controls are expected to vitally alter the working rules of almost every Canadian industry.

But one field, that of bond investment, has felt scarcely a ripple from the new decrees. With most of its established values based on peacetime earning power, its speculative opportunities based on expanding business volume rather than inflationary prospects, bond markets had little to gain, much to fear, from runaway inflation.

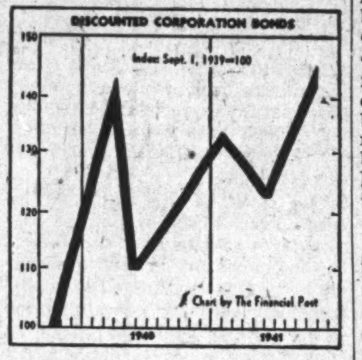
Fear of inflation has not been completely removed, but the promise of a strong fight against it has kept bond markets on an even keel, permitted the developing trends to continue uninfluenced by the ceiling proposals.

In the high-grade sections of the market, the Dominion Government has taken another step to preserve the standing of its obligations. Since the outbreak of war, the government's guardianship of its credit rating has been one of the main planks of policy. The pay-as-you-go policy; foreign exchange control; the restriction of stock earnings by E. P. T.; the restrictions on building of capital equipment; the attempt to "freeze" provincial revenues through the Sirois recommendations and the Ilsley budget proposals, all work toward channelling investment funds into government bonds. Since the first scare at the outbreak of war, interest rates on government obligations have trended steadily lower. Just recently the 2% two-year loan for $200 millions made in the fall of 1939 was renewed by the sale of 1½% three-year notes. Although the notes were sold at a 1¾% yield basis, the lower rate and the longer term is evidence of the successful direction of current credit operation.

Discounted Bonds

Most spectacular gains since the war started have been recorded by bonds of corporations and municipalities selling below par. The gains in corporation securities have not been based primarily on inflation, i.e., rising prices, but on the expanding volume of business, usually at the same basic price structures which applied before the war. Newsprint bonds are a case in point.

Major price "mark-up" in the newsprint field came with the 10% premium on U. S. funds. This automatically added $5 a ton in exchange premium to the value of



export sales to the U. S. There have been other price rises in sulphite pulps, Kraft paper, etc., but the important gains in newsprint bonds coincided with and were attributable to the invasion of Scandinavia, with the consequent guarantee of increased volume for Canadian mills at least until the Germans are driven out of the northern peninsula.

The same factors have influenced municipal bonds. Taxes have risen in few cases. In many municipalities the rates have actually declined, but the improvement in collections of current and delinquent taxes has permitted municipalities to cover their debt charges by a wider margin and to retire obligations at faster than contract rates.

Gain 27% to 45%

How big have the gains been for holders of bonds selling below par?

No precise index of the market action of this class of security is currently compiled for Canada, but in the accompanying two charts The Financial Post presents its own average of 11 discounted corporation bonds and 10 discounted municipals. Starting at Sept. 1, 1939 as 100, the corporation bonds have gained 45.5%, the municipals 27.3%.

The corporation bond average includes four pulp and paper issues, three public utilities and the balance is made up of other industries. In order to keep the figures on the conservative side International Hydro 6% bonds of 1944 have been included (the bid on these bonds has dropped from 80 to 40 in the past two years) and one of the best-acting paper bonds, Minnesota and Ontario's, has been omitted. The object has been to minimize, rather than exaggerate the price gains to date.

In the field of discounted and defaulted municipal bonds the same practice has been followed. While the municipal bonds are without exception higher than they were two years ago, the figues are loaded on the conservative side by the inclusion of several municipalities which have not improved financially to the point where lasting reorganization plans can be introduced.

Further gains in the speculative bonds selected for the charted indexes appear reasonably probable provided the present high rate of activity in the various groups is maintained. The average current bid price for the corporation bonds chosen is now 70, having risen from 49. The average of the municipal issues is 59, a jump from 46. Theoretical ceiling for both groups would be around par, although the high rate of redemptions might bring the bonded debt in individual cases so low in relation to earning power as to raise the price above 100.

No Inflation Hedge

Although purchase of discount bonds has occasionally been recommended as an inflation hedge, it is clear that in any aggravated type of inflation, no fixed claim for money would serve as a hedge. In the German 1923 inflation, purchasing power of the mark fell to one thousand billionth of its former level. Buying a bond at 50% of its par value would only protect the investor against a degree of inflation that would cut purchasing power in half.

As a result, the foundation of bond market price changes to date has been built on values established in peacetime together with increases in price of bonds benefitting from increased volume of business.

E. P. T. Muddle

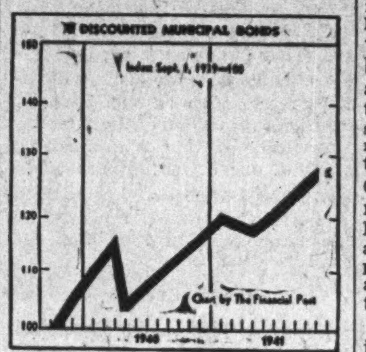
Two other factors must be added. The excess profits tax has not only placed a ceiling over stock earnings, but is subject to exceptions and interpretations that make it practically impossible for the average investor to estimate the amount of net profits which will be available to shareholders from a given level of operations.

One industry, pulp and paper, has a blanket "depressed industry" classification, but all the shareholder knows is that this will permit his company to earn from 5 to 10% on its capital before earnings are classed as "excess." The definition of "capital" is not known with any precision, neither is the specific rate of earnings to be allowed. And the newsprint industry has a more clear-cut tax position than most.

Net result has been to drive investment funds toward the bond market. Bond interest comes before income taxes, with the exception of certain classes of income bond interest, and it is consequently possible to predict from operating figures the margin of interest coverage to be earned in a given period.

Scarce Securities

Second factor in aiding the bond market has been the steady retirement of bonds. The refundings before



and since the war cut interest charges, and correspondingly speeded up the rate of debt redemption. By the end of 1941, according to the Bank of Canada's estimate, total debt of all Canadian municipalities will be down to $1,118.5 millions from $1,256 millions at the end of 1938. A total of $100 millions of municipal debt of all descriptions, including temporary bank loans, etc., will have been redeemed since the end of 1939.

With many municipalities imposing a voluntary ban on new borrowings, new issues of municipal securities have been mainly confined to refundings. In the corporation field, capital assistance to expanding industries has become increasingly a function of the government. Advances have been made direct in the majority of cases, in others, industry has financed expansion frequently, either out of working capital or by means of bank loans.

In addition, the improved demand for Canadian external-payment obligations has fostered an outward movement of these securities to the United States and has added to the scarcity of securities at home.

Only visible adverse angles to the new ceilings are the possible effects of the extension of rent control.

Realty Bonds Hit

The nationwide pegging of rents on commercial as well as residential properties will obviously affect the position of the numerous real estate bonds outstanding. Majority of these are in default, and many have been issued to finance properties which have not benefited greatly from the war boom. Few office buildings have been filled by war industries, more appear to have cut rents to existing tenants, owing to the low level of security dealing and flotations of new issues in which many of their tenants were engaged. The new rent ceiling will apparently freeze these rentals at levels in many cases lower than at the outbreak of war, and hence the earnings of the companies concerned, except where they are able to get fuller occupancy of the property.

In other corporation bonds, little if any change is expected. Papers may gain because their price on exports, over 85% of the business, is not fixed, while their costs will presumably be prevented from rising further. Utilities will likely have both costs and selling prices, hence the margin of profit, frozen by the new order. Still open is the possibility of increasing volume of power sales to industry. Flour milling companies are in somewhat the same position as in the pulp and paper companies with respect to their increasingly important export sales.

Business Volume Holds Key

By and large, the outlook for further improvement in corporation bonds is based on the same principles as before the order was issued—further advances in business activity.

But from the bondholder's point of view, the attractiveness of fixed interest obligations has gained because many of his fears of further sharp rises in living costs have been removed. Proof of this pudding will, of course, have to await the eating, but the determination of the government is a hopeful sign.

November Investment Suggestions

Our November Booklet "INVESTMENTS" contains a diversified list of bonds— DOMINION OF CANADA—DOMINION OF CANADA GUARANTEED — PROVINCIAL GOVERNMENT — PUBLIC UTILITY — INDUSTRIAL — and also PREFERRED SHARES. A copy of this Booklet will be furnished upon request.

DOMINION SECURITIES CORPORATION LIMITED
TORONTO MONTREAL WINNIPEG VANCOUVER NEW YORK LONDON, ENG.
15 King Street West, Toronto

YOUR HEIRS WILL BENEFIT

When you appoint a permanent, experienced trust company as executor of your estate, you know that your dependents will be protected against unnecessary legal expenses and unwise investments and assure the economical administration of your will.

We Invite Consultation
MONTREAL TRUST COMPANY
Montreal Trust Building
61 Yonge Street Toronto
J. F. HOBKIRK, Manager

J. P. LANGLEY & CO.
C. P. ROBERTS, F.C.A.
W. F. HOUSTON, A.C.A.
CHARTERED ACCOUNTANTS
TORONTO KIRKLAND LAKE

BUY WAR SAVINGS CERTIFICATES

EXPERIENCE COUNTS

THE successful management of securities and real estate is a full-time job . . . and one that requires expert knowledge and complete facilities.

Our Management Service provides for your investments the supervision of men who devote their whole time to such matters . . . and who are trained and experienced. You may authorize us to assume as much responsibility as you wish . . . to take over the entire management of your property . . . or to act only on your instructions . . . or in the case of urgent necessity. Our officers will be glad to give you more information about Management Service.

THE ROYAL TRUST COMPANY

Your Investments

What We Do:

1. Give information on Canadian securities to Financial Post subscribers.
2. Publish anonymously letters of general interest.
3. Supply facts rather than opinions.

What We Don't Do:

1. Answer enquiries of non-subscribers.
2. Answer enquiries on foreign securities.
3. Reply by telephone or telegraph.
4. Select list of securities; express opinions; or make forecasts.

Three-cent stamp and address label from subscriber's copy of The Financial Post must be enclosed. Address letters to The Financial Post, 481 University Ave., Toronto 2.

Ford of Canada

How does the investment and earnings position of Ford of Canada stock shape up under war conditions? Would peace be likely to reduce its earning power?

Ford Motor Co. of Canada is the only opportunity which Canadian investors have to acquire representation in this important industry. The war has brought severe changes to the automotive industry. For the coming year output is going to be cut by some 50% of last year's level in so far as it concerns civilian demands. This will not mean that Ford will not be active, as its war orders are more than making up for any decline in civilian supplies.

Whether or not earnings will keep pace with actual output, however, is not so certain as it is understood that the profit margin on war business is well below that of the company's ordinary civilian lines.

Before the war Ford depended for about 50% of its sales on export markets to other parts of the British Empire. These have been largely lost except for military demands because of exchange and shipping restrictions. After the war the company should be able to resume its former favorable position. The company's dividend record is relatively good for representatives of the automobile industry, ranking probably next to General Motors Corp. in the United States. Its financial position is strong and there seems good reason to expect continuation of the $1 a share annual dividend which has been paid for several years past.

Burns & Co.

I hold some shares of Burns & Co. A stock bought at higher prices. I have been considering selling these shares, but I notice there has been a sharp rise in the company's bonds and I wonder whether there is any chance of the stock making a similar move.

Price appreciation of the bonds of Burns & Co. in the past week or so has been based on the reports of increased earnings in the current year. While no official figures have been released to show to what extent earnings have improved, The Financial Post is reliably informed that the improvement has been substantial.

Since their capital reorganization Burns & Co. have not been in a position to report very favorable earnings to their shareholders. In the past two years sinking fund payments on the bonds have been omitted. On the other hand, the company this year acquired Dumarts Ltd. of Kitchener, thus extending their eastern outlets. This expansion has relieved Burns & Co. of a certain lack of balance that had previously placed them in a weaker competitive position than some other large packing companies which have extended their operations from coast to coast. In addition Burns' strong position in the western provinces has been of advantage in connection with the greatly increased requirements under the British bacon agreement. A large part of the increased requirements will come from the western provinces where hog production is increasing at a very rapid rate. It is apparent that the long run position of Burns Co. has been improved by these various developments. Whether the improvements will eventually carry down to the shareholders of the company would appear to depend largely on the duration of the present high level of exports. It is generally hoped that Canadian packing companies will be able to maintain the position now being established in the British markets, but it is as yet too early to rely on this as an investment factor. This reduces the problem of the outlook for the Burns stock, largely to the question of how long the war and its attendant increased volume of exports will last.

In a hurry to get things done?..

TCA SPEEDS THE NATION'S BUSINESS

HALIFAX - MONCTON - MONTREAL - OTTAWA - TORONTO
WINNIPEG - REGINA - LETHBRIDGE - CALGARY
EDMONTON - VANCOUVER
2 Flights Each Way — Every Day

TORONTO - NEW YORK - 2 Hrs. (Non-Stop)
3 Flights Each Way — Every Day*
*2 Flights Saturday from Toronto, Sunday from New York

TORONTO - OTTAWA - MONTREAL - 2 Hrs. 30 Mins.
5 Flights Each Way — Every Day

TORONTO - LONDON - WINDSOR - 1 Hr. 35 Mins.
2 Flights Each Way — Every Day

Twin-Engined Lockheed Air Liners — Last Word in Air Travel
Stewardess Service — Refreshments aloft

TRANS-CANADA AIR LINES
For Information and Reservations:
any local T.C.A. Traffic Office or Travel Agent

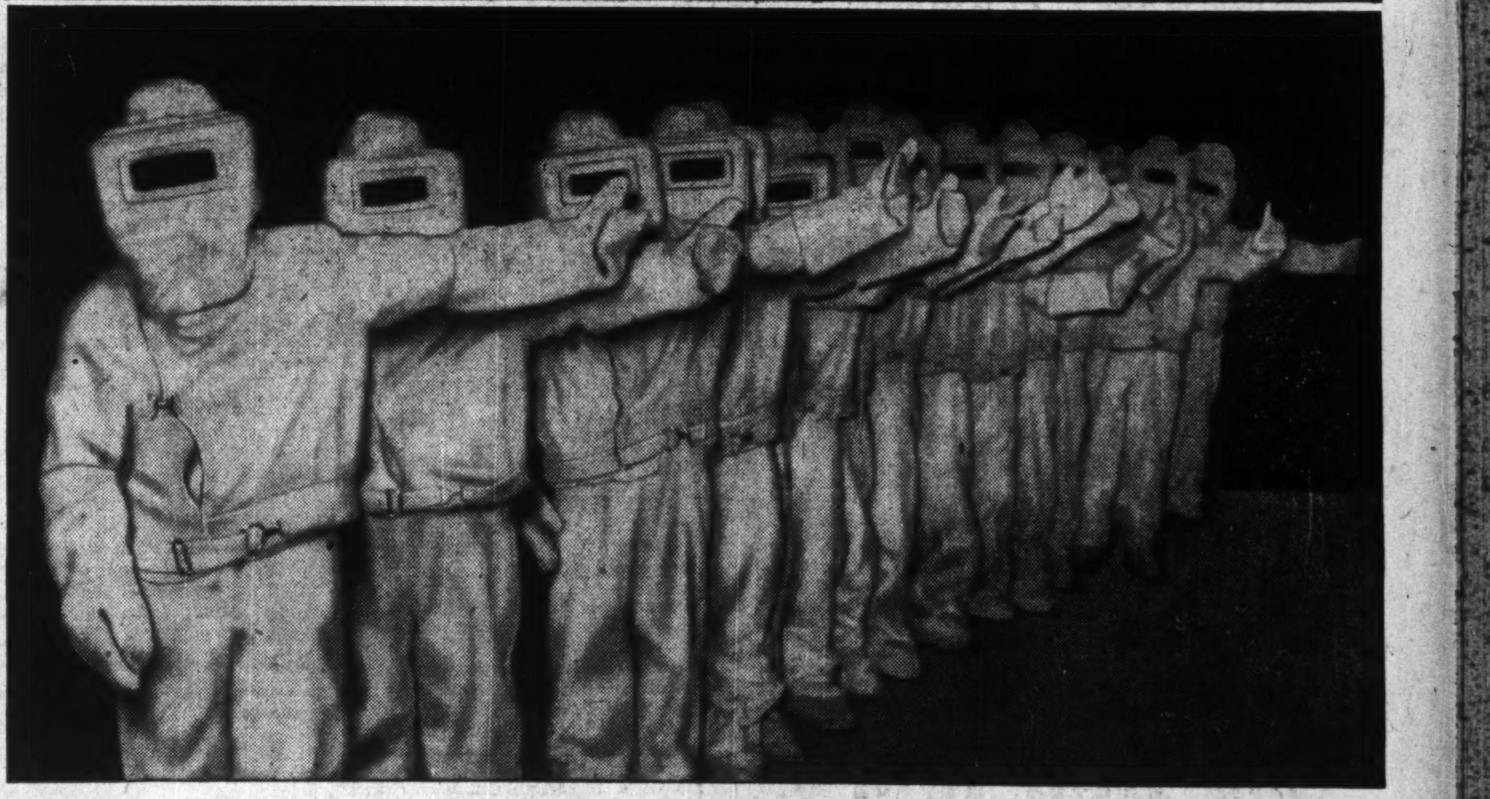
AIR MAIL • PASSENGER • AIR EXPRESS

SYSTEMATIC SAVING BEST

Determine the amount of money you intend to save, and budget your controllable expenses accordingly. We'll help you: Open a Savings Account with us. Your money will be available at any time it is required. When you subscribe to a war purpose or a government loan, issue your cheque and keep within your budget.

CANADA PERMANENT
Mortgage Corporation
Head Office, 320 Bay St., Toronto
Assets Exceed $67,000,000.

"Over There" JOHNS-MANVILLE ASBESTOS "FLAME SUITS" Help Beat the Blitz



• Lives by the thousand — property and war materials valued at millions of dollars — are being saved in the bombed cities of Britain because Johns-Manville Asbestos "Flame Suits" enable civilian fire-fighters and the armed forces to come to grips with the fiercest fire, and fight it "hand-to-hand."

Here in Canada, aside from important materials produced for the actual fighting front, Johns-Manville is doing a big job in speeding the industrial war effort. The J-M mine, mill and factory at Asbestos, P.Q., are working twenty-four hours a day to meet the demands of war industry's urgent construction programme. To give the utmost help J-M offers Canadian industry QUICK DELIVERY on essential construction materials . . . PLANNING ASSISTANCE on building, expansion, modernization . . . TIME AND COST SAVINGS resulting from fast, labour-saving application methods. Have you a construction problem? *Your* needs will get prompt attention — *and quick action* — if you call, wire or write your nearest Canadian Johns-Manville office, today.

"Over Here" J-M Building Materials and Building Service are playing a Big Part in Canada's Industrial War Effort

JOHNS-MANVILLE
CANADIAN JOHNS-MANVILLE CO. LIMITED
Mine and Factory at Asbestos, P. Q.
Toronto, Montreal, Winnipeg, Vancouver
CBM-48

JM PRODUCTS JOHNS-MANVILLE
J-M BUILT-UP ROOFS • J-M CORRUGATED TRANSITE SIDING • J-M INDUSTRIAL FLOORING • J-M INSULATING BOARD PRODUCTS • J-M ASBESTOS WALLBOARDS • J-M ROCK WOOL INSULATION • J-M INDUSTRIAL INSULATIONS • J-M REFRACTORIES • J-M ACOUSTICAL SERVICE AND MATERIALS • J-M PACKINGS AND GASKETS AND OTHER ESSENTIAL MATERIALS FOR FACTORY, MILL, SHOP, OFFICE

25 Diplomas Are Granted At Insurance Institute

At the annual inaugural dinner of the Insurance Institute of Toronto for the 1941-42 session, this week, 25 certificates for having passed the examinations in different subjects of the Institute's course of study in fire and casualty insurance were awarded.

Four diplomas for having completed the full fire and casualty course were also presented.

It was announced that 81 members of the Institute were now on active service with the Canadian armed forces, a large proportion being already overseas.

John Fanning, assistant manager for Ontario of the Employer's Liability Assurance Corp., president of the Institute, was chairman.

The Insurance Institute of Toronto is the educational organization of the fire and casualty insurance companies with head office in Toronto. It has been operating for over 40 years.

For 37 years it included a special section devoted to life insurance. While the joint organization was satisfactory for many years, the feeling later developed that it was desirable the two sections carry on their work separately. Two reasons were:

There was little in common between the two sections.

The membership of the Institute, as it then existed, was local, while that of the life insurance section was national.

Accordingly the separation became effective in 1936.

J. H. Riddell of the Eagle Star Insurance Co. was elected the first chairman after the reorganization.

Officers for the 1941-42 session are:

JOHN FANNING, assistant manager for Ontario, Employers' Liability Assurance Corp., president.

Vice-presidents

R. J. BASTEDO, casualty secretary, London Guarantee & Accident Co.

W. H. BUSCOMBE, secretary, Shaw & Begg Ltd.

W. C. BUTLER, manager for Canada, Pearl Assurance Co.

Insurance Notes

Frank L. McFarlane of the Aetna Life Cleveland reminded the Ontario Life Underwriters' Convention held in Toronto last week that prospects were the raw material of the life insurance business. It was therefore up to the underwriter to keep up his supply of raw material in the way of new prospects. Then the underwriter must interview these prospects to see what service he can render them. If they turn out to be sales prospects he must analyze their problems and determine what new insurance is necessary to complete the plan desired by the client and see that the whole programme works together.

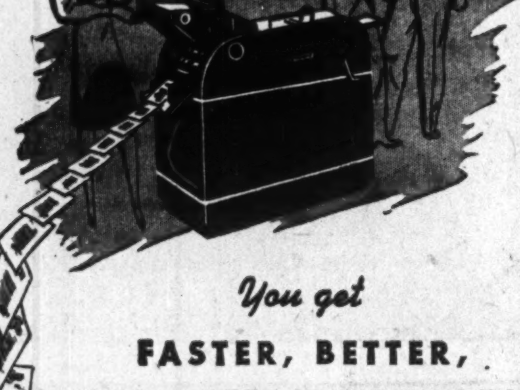
THE
Dominion of Canada
GENERAL
Insurance Company
Established 1887
Fire Casualty Life

A Burned Building Earns No Rents

When a rented building is damaged or destroyed by fire, Rental Income ceases until the property is restored to a tenable condition. Scarcity of workmen and building materials, considerably lengthen the time required for such restoration. To-day, therefore, landlords have an even greater need for RENT INSURANCE.

WELLINGTON FIRE
INSURANCE COMPANY
Head Office: 12-24 Toronto Street,
TORONTO

MECHANIZE *Your* "TROOPS"



You get
FASTER, BETTER,
MORE EFFECTIVE WORK
with this NEW *Streamlined*
SELF-CONTAINED UNIT
MULTILITH DUPLICATOR

FROM the first day on, Multilith Duplicator makes its influence felt—with your customers—prospects—and your own salesmen.

Model 1250 Multilith provides a modern and speedy duplication of letters, forms and similar "copy." It *mechanizes* correspondence routine.

Multilith is simple, easy to operate, requires no special "help"—yet faithfully and speedily reproduces in volume all processes such as typing, writing, drawing, ruling and photographing in black and white and in colours.

Costly duplication of effort is eliminated; the value of human hands is multiplied over and over. Promotional literature goes out regularly—on time! Mechanize *your* office force. Save time and money. Increase the tempo of your business. Call the nearest Multigraph Sales Agency today

Letterheads and Office Stationery
Office, Store and Factory Forms
Instruction and Parts Books
Charts, Graphs, Maps
Booklets, Folders, Broadsides
Bulletins and House Publications
Wrappers, Labels, Stickers
All turned out easily and speedily
. . . in colours if desired.

ADDRESSOGRAPH-MULTIGRAPH OF CANADA Limited
Head Office and Factory: TORONTO
Sales and Service Agencies
HALIFAX QUEBEC MONTREAL OTTAWA TORONTO HAMILTON WINNIPEG VANCOUVER

Life Insurance

Safety of Contracts First Job

More Important Than Sales Says Canada Life Head

The impact of war on the life insurance business has been tremendous. Increased income taxes, the national defense tax, double succession duties and controls on prices and wages have all had their effect. But life insurance sales in recent months have been following fairly closely the pattern of the last war showing increases as the war progresses.

In an address at the 20th joint annual meeting of the Association of Life Agency Officers and the Life Insurance Sales Research Bureau in Toronto, A. N. Mitchell, president of the Canada Life, discussed the effect of different phases of Canada's war effort from the life insurance viewpoint. He pointed out that life insurance is helping that effort by providing security for the individual, helping prevent inflation and helping finance the war. Extracts from his address follow:

By A. N. MITCHELL

If there has been anything taught us by this last decade it is that the first job of life insurance executives is to strive to make positively safe the contracts of the policyholders already on their books. It has taught us that all considerations of new business must be made subordinate to that. The problem of defending the old policyholder against undue risk requires the best brains we have among us. Certainly this is not the time to apply undue optimism to what the future holds either in interest earnings or mortality.

A. N. MITCHELL

War's impacts on business in force as well as on new production are still difficult to forecast. For instance, the tremendous increase in taxation was expected by many to produce a heavy lapsation in Canada. Maybe because of the introduction of installment paying of income taxes or because of some other as yet undefined factor this heavily increased lapsation has not yet materialized.

Undoubtedly the field forces have done a good job in contacting their policyholders and keeping before them the increased need they have for their insurance. We must admit, however, that the full force of the great increase in taxation proposed for 1941-2 has not yet been realized. The installment payments on the latest heavy income taxes only started to be paid in September last.

We may yet have to struggle still harder to maintain many policies in force, as these payments continue from month to month to produce reduced standards of living. An enormous work is still demanded of the sales forces to demonstrate that sacrifice should be made in other directions rather than in impairing the insurance protection of the future.

The same problem is approaching south of our border. It has taken on recently more definite outlines. The American people are now on the same taxation road that we have travelled here.

Lapses Decline

However, lapses and surrenders in practically all Canadian companies, expressed in terms of percentage of the total business in force, have shown as yet a steady decrease. The fact that this has been so during the present year when taxes were much higher than the preceding year lends hope, despite the still greater increases in taxes now imposed.

The great alterations in the federal taxation field will very probably have a lasting effect also on the methods of applying taxes to the insurance field itself. The minister of finance in June last intimated that it was his intention to arrange with the provinces to vacate the field of taxation of all corporations, including insurance companies, for the period of the war and to allow the Dominion to collect these taxes. Full arrangements have not yet been completed, although negotiations are under way. It is our hope that in the insurance field there will be no material change from what has previously been asked by the provincial governments.

One of the heavily increased taxes in Canada is the estates tax. Prior to the war estates taxes here were levied only by the provinces. A very heavy Dominion estates tax, practically equal to the heaviest provincial tax of a like nature, has now been added. Estates taxes because of this have been suddenly doubled. Not only will large estates be affected, but the heirs of the smaller businessman will be acutely affected. He usually has everything he has wrapped up in his business.

Even where the valuation of a business is comparatively small the amount of the inheritance tax under the new arrangements can easily be a cause of disaster to the business. These taxes must be paid in cash. To raise such amounts of cash, liquidation of part of the business may be often essential. This is not a healthy economic situation, but there should be in the nature of things a tremendously increased place while it lasts for insurance.

New Production

Turning to new production, insurance writings at the present time are following fairly closely the pattern seen in the first two years of the last war. The first year or so again was affected by the uncertainties and confusions natural to the period. As the war effort increased and public expenditures enlarged, the groups composing possible prospects also enlarged. Taxes removed many from the list of large buyers, but expanding incomes increased the numbers of the smaller buyers. Sales in Canada, as in the United States are showing considerable increase over those of the preceding year.

Certain other factors are, however, about to enter the Canadian picture which may alter the pattern from that of 25 years ago.

Our government is now through price and wage control placing definite brakes on demand and supply. There is no thought that they can alter the principles involved in those factors, but rather that by controlling the amount of demand and supply an abnormal inflation can be avoided.

This country is spending in one year on war approximately what it spent on the last war in four years. Man power is being diverted from the production of the ordinary consumption goods, so the supply of those goods is materially lessened. The increased money for expenditure in the hands of the wage earners, nevertheless, normally increases the demand for those goods. The resultant vicious inflation spiral has already been in evidence and could easily get out of hand. The government hopes by its new regulations to produce some stabilization of prices of goods and services.

Surplus Earnings

Should this prove effective, the people will have left in their hands surplus earnings which the government will attempt to have directed into various savings funds for war purposes.

Insurance should continue to serve as one of these collecting agencies and increase in new business might continue until employment reaches 100%. It would appear, however, that if the government succeeds in its control, and if employment reaches its maximum, a comparative stabilization of savings possibilities would result.

If this should be so, it would be quite within the bounds of possibility that insurance also might reach a certain degree of stabilization in its sales. The insurance companies have, however, a definite advantage in their approach to war-anxious prospects, since insurance offers not only protection for the future, but also co-operation with the government through investment of income in government war loans.

The whole question of future production, however, goes into such untried fields that any attempt to prophesy seems useless. Organized direction of the sales forces in meeting their new problems becomes more than ever essential. Well-developed training systems are going to be increasingly needed. The war impact has given a perfect demonstration of the effect of training methods.

Happy indeed was the Canadian agent who, in the last two years, had a fixed system of prospecting and selling to cling to. Well-organized sales talks have proved a magnificent preventive to desultory and fear-provoking war discussion. Our companies owe much at the present moment to the discussions of this association and to the bureau for the thought developed along these lines.

J. G. Parker (general manager of the Imperial Life) last year very ably discussed the effect of war on the morale of the agency forces. He pointed out that agents suffered from fear that business would be difficult owing to war conditions and that they were even affected to some extent by fear as to the safety of life insurance itself. The actions taken by the companies at that time to offset these things were pointed out. These actions have fairly well counteracted these effects on the agents' minds.

There has, of course, been a continued feeling among the field forces that they should do their part in the war. Enlistment drain has naturally continued. Other war efforts have been undertaken. New production has nevertheless increased.

One cause of this has been increased zeal in selling because of a growing understanding that agents in their work are in reality engaged in real war effort. The assistance they give, by restraining the power of the public to spend on consumption goods, in delaying inflationary tendencies and by diverting earnings to war purposes, is being more fully appreciated.

They recognize more and more that insurance sales are an important factor in the war economy. During the last year a very large proportion of Canadian renewal premium income was used by Canadian companies to purchase war loans.

Something of this spirit is being imbibed by the Canadian agency forces and I have no doubt is doing much today to strengthen their morale in seeking to offer their clients a three-way value; insurance security; assistance in preventing inflation; and a help to their country in time of war.

Soo Line Proposal Meets Opposition

Trustees Want Capitalization Widened — No Other Objection

From Our Own Correspondent

MONTREAL. — Trustees of Minneapolis, St. Paul & Sault Ste. Marie Railway have registered objection to the proposed reorganization, presented by an Inter-State Commerce Commission examiner, Ralph H. Jewell, on the ground the $87 millions capitalization suggested is insufficient. No other major objection, however, has been made by the trustees.

Counsel for the trustees, James L. Metland, told the Commission that territory served by the Line has made a remarkable recovery and asked the Commission not to place "too much weight" on the earnings record of bad years.

Asks Capital Increase

Mr. Metland asked total capitalization of $105 millions instead of $87 millions. He asked the 719,319 common shares proposed be made $100 par value, rather than $75.

After a hearing of the examiner's report the Commission's finance department will commence consideration of the plan.

The
WAWANESA
Mutual Insurance Company
Organized in 1896

Assets	$2,894,436.70
Surplus	1,513,855.65
Dominion Gov't Deposit	1,041,353.86

Write for Financial Statement
Head Office: Wawanesa, Man.
Eastern Office: Toronto, Ont.
Branches at Vancouver, Edmonton, Saskatoon, Winnipeg, Montreal and Moncton
2,000 Agents Across Canada

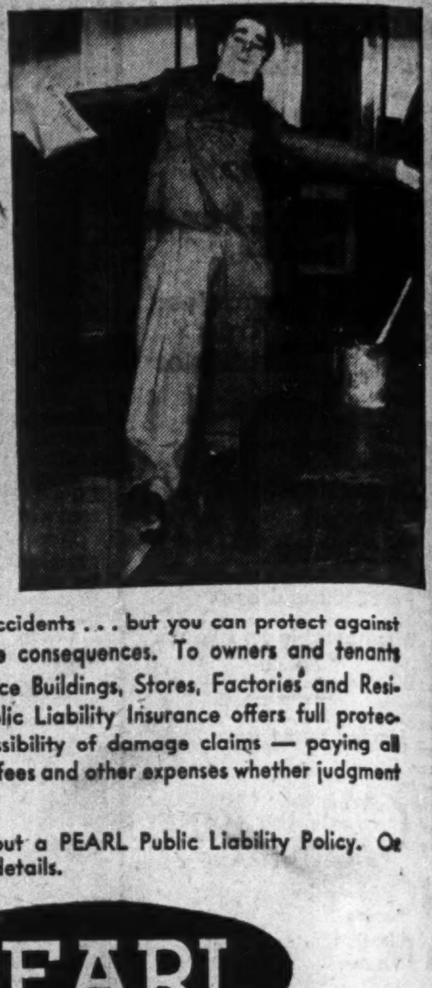
Dominion Appraisal
Company Limited
For dependable Industrial and Real Estate valuations, select a company of unquestioned reputation.
We suggest the services of this organization.
Equipped to carry out work of any magnitude within a reasonable space of time.
Head Office
137 Wellington St. West
TORONTO ELgin 5928

United States
Fidelity & Guaranty
Company
TORONTO

The Purchase of
WAR SAVINGS CERTIFICATES
Insures Your Liberty

EAGLE STAR
1807
INSURANCE COMPANY LIMITED
OF LONDON, ENGLAND
HEAD OFFICE FOR CANADA:
217 BAY STREET, TORONTO
J. H. Riddel, Manager. V. G. Creber, Ass't Manager
Fire • Casualty • Marine • Inland Transportation

Anything Can Happen . . .
AND USUALLY DOES!



Pearl Public Liability Insurance Safeguards Profits

You can't prevent accidents . . . but you can protect against their often expensive consequences. To owners and tenants of Apartments, Office Buildings, Stores, Factories and Residences—PEARL Public Liability Insurance offers full protection against the possibility of damage claims — paying all court costs, lawyers' fees and other expenses whether judgment is awarded or not.

Ask your agent about a PEARL Public Liability Policy. Or write for complete details.

PEARL
ASSURANCE COMPANY LIMITED
OF LONDON, ENGLAND
Head Office for Canada: Victory Bldg., TORONTO
W. C. BUTLER, Manager for Canada. H. G. FLOWER, Assistant Manager.
THE EUREKA-SECURITY FIRE AND MARINE INSURANCE COMPANY
INCORPORATED 18— SAME YEAR AS PEARL . . . POLICIES GUARANTEED BY THE PEARL

Automobile and General Casualty Insurance
AGENCY INQUIRIES INVITED
LUMBERMENS MUTUAL Casualty Company
VANCE C. SMITH, Chief Agent
CONCOURSE BUILDING
TORONTO
Fire and Allied Lines Written in Associated Companies

The Financial Post

INSURANCE CONTEST CLOSES NOV. 22

Suggest the best insurance programme for any one of the following persons:

1 The young unmarried business man in his 20's with a total income between $1,500 and $2,000 a year and with excellent prospects. Ambitious, conscientious, healthy. Is saving some money but has no capital and no prospects of inheriting any. Must make his own way in the world.

2 Junior executive, total income $3,000 to $5,000 a year, 30 to 35 years of age. Has saved and invested $2,000 to $5,000. Married, has two children both under 10. No inheritance prospects.

3 A man who owns his own business, or is senior executive in a business in which he has a substantial stock interest. Total income between $10,000 and $25,000. Age 40 to 50. Investment in his own business $50,000 to $100,000. Has other investments of $10,000 to $25,000. Married: has two children, both in their teens.

4 A single business woman, age around 30, now making $100 a month, with prospects of some increases. Has $700-$1,000 saved. Helps maintain widowed mother. Dependent on her own efforts. Her main object is to build up resources on which she can retire.

CONTEST OPEN TO EVERYBODY

$250 in Prizes

RULES OF CONTEST

1. Prizes will be awarded as follows: $100 for the best article, on any one of the four problems; $50 each for the best articles on the other three problems. In addition The Financial Post proposes to publish a number of the articles that do not win prizes. These will be paid for at regular space rates or approximately $25 a piece. The number published will depend on the quality of the entries.

2. Answers must be in the form of articles of not more than 2,000 words suitable for publication in The Financial Post.

3. Answers will be judged not only on the soundness of the programme outlined and the presentation of the arguments in favor of it but for the general interest of the material presented.

4. The manuscript must be typewritten on one side of the paper only, double space.

5. Contestant's name and address and particulars as to business connections, degrees, etc., must be typed on a separate sheet attached to the manuscript.

6. The contest is open to anyone who is not an employee of The Financial Post or The MacLean Publishing Co. Ltd., whether a subscriber to The Financial Post or not.

7. Any contestant who wishes may submit more than one manuscript provided each paper deals with a different one of the groupings.

8. Manuscripts must be submitted to the Insurance Contest Editor of The Financial Post, 481 University Avenue, Toronto, Ontario, on or before November 22, 1941.

9. Any manuscript submitted will become the property of The Financial Post and may be published by it. No manuscript will be returned. Those published will appear under the name of the author.

10. Judges of the contest will be the editors of The Financial Post assisted by such outside authorities as they may wish to consult.

11. In case of a dispute or misunderstanding the decision of the editor of The Financial Post will be final.

12. The Financial Post assumes no responsibility for the suggestions made.

13. Contestants must not mention the name of any company or any special policies sold by only a limited number of companies but should confine their suggestions to the standard types of policies sold by most companies.

Address:
INSURANCE CONTEST EDITOR, THE FINANCIAL POST
481 University Ave., Toronto, Ont.

"Yes, that's your Monthly premium" (at age 30)

Here is a new kind of life insurance that is giving thousands of Canadians who could not easily afford other types of insurance, the financial protection they need... security now and a guaranteed income in later life.

The plan works like this: you choose any policy that suits your needs, but instead of paying the first year's premium, you pay for one month only. For example, at age 30, the premium on a $5,000 Double Protection life policy is only $6.15. As a service to you, the company will accept your checks, one for each month of the year, all post-dated.

Send the coupon for free Budget Memo Booklet and folder telling how you can have the extra protection you need for as little as $5 a month.

ESTABLISHED 1881 A MUTUAL COMPANY

NORTH AMERICAN LIFE

HEAD OFFICE: 112 King St. W., Toronto, Ont.

Please send me information about your special Budget Policy, together with free Pocket Memo Budget Booklet.

Name

Address 107B

Head Office
TORONTO, CANADA

East Kootenay Power Gross Income Higher

From Our Own Correspondent

MONTREAL. — East Kootenay Power Co. reports a gross income in September of $59,702, an increase of $7,954 over the same month last year. Operating expenses advanced by $3,350, leaving a net improvement of $4,604 in net earnings.

For the six months' period ended September 30, 1941, gross earnings of $341,007 were $31,609 greater than for the like period a year ago. Operating expenses were higher by $9,101 at $112,888, resulting in an advance of $22,518 in net earnings which amounted to 228,189.

Both in the monthly and half-yearly returns, expenses do not include income and excess profits taxes.

The SHAW way TO A BUSINESS CAREER

Position - Salary - Success

Your Future depends on you! Canada, right now, needs trained young men and women to take important and well-paid places in business and government service.

Why don't you plan now to enrol in one of the Special Shaw Courses by Correspondence, enabling you to study at home, from Lessons specially prepared.

Here are a few of the SHAW Courses:

Shorthand — Banking
Typewriting — General Accountant (C.G.A.)
Secretarial — Stationary Engineering
Bookkeeping — Higher Accounting
Cost Accounting — Short Story Writing
Chartered Institute of Secretaries (A.C.I.S.)

Write for Catalogue. Shaw Schools, Dept. L79 Bay and Charles Sts. Toronto, Ont.

SHAW BUSINESS SCHOOLS

Your chance to improve the efficiency of your Sales Staff and increase your Income

HOW TO SELL by TELEPHONE

By EARL PREVETTE

Pick up the phone. Make a sale. Save time and energy. Proven methods of telephone selling by a man who has created $10,000,000 worth of sales by telephone. $2.50.

LONGMANS, GREEN & COMPANY Publishers Toronto

Before you insure... consult

Confederation Life Association

Bank Debits Up As Prices Rise

Business Expansion Also Factor — Total Debits Up 28%

Cheques cashed at the chartered banks in September totalled $3.3 billions, an increase of 28.4% over the same month last year. As in the previous month, the rise reflected the expansion in business and the increase in prices. Business expansion during the period is indicated by The Financial Post Business Index, which, in September, 1941, was almost 12% over September last year.

The amount of cheques cashed, or bank debits, showed an increase over last year in each of the five economic areas. Gains in per cent were: Maritimes 25; Quebec 32; Ontario 40.5; Prairies 1.7 and British Columbia 19.4.

Total debits for the nine months ended with September were $28.5 billions up 15.6% over last year.

Debits to Individual Accounts

	—Millions of Dollars—		
	Sept., 1941	Aug., 1941	Sept., 1940
Maritimes:			
Halifax	44.6	45.4	34.9
Moncton	13.2	12.7	10.6
Saint John	20.5	19.8	17.1
Total	78.4	78.0	62.6
Quebec:			
Montreal	853.9	814.7	625.5
Quebec	81.9	103.9	82.8
Sherbrooke	9.3	9.5	7.8
Total	945.1	928.2	716.1
Ontario:			
Brantford	13.6	12.8	10.5
Chatham	10.3	9.4	7.7
Fort William	9.4	8.6	7.0
Hamilton	90.4	92.2	64.5
Kingston	8.9	9.2	7.1
Kitchener	17.5	16.3	13.4
London	37.4	40.3	31.7
Ottawa	284.1	282.9	197.7
Peterborough	9.4	9.9	7.1
St. Catharines	15.9	16.7	....
Sarnia	10.3	8.9	5.9
Sudbury	8.4	8.4	7.1
Toronto	961.6	808.9	688.9
Windsor	58.7	58.3	44.2
Total	1,536.2	1,383.1	1,093.2
Prairie Provinces:			
Brandon	5.2	4.9	4.0
Calgary	74.4	74.8	66.6
Edmonton	51.1	50.2	49.0
Lethbridge	5.8	5.8	5.7
Medicine Hat	3.6	4.0	3.9
Moose Jaw	7.1	7.1	7.4
Prince Albert	4.0	3.6	2.9
Regina	37.5	43.6	67.8
Saskatoon	14.0	13.5	12.5
Winnipeg	337.3	339.5	310.9
Total	540.1	547.1	530.9
British Columbia:			
N. W'minster	9.5	9.9	8.4
Vancouver	156.5	164.2	128.5
Victoria	34.9	39.5	31.3
Total	200.9	213.4	168.2
Total for Canada	3,300.7	3,149.8	2,571.2

Security Holdings Show Increase

Bank of Canada's Holdings of Sterling Also Rise — Note Circulation Up

An increase of over $20 millions in total assets shown in the statement of the Bank of Canada for the week ended Oct. 29 is due mainly to expansion in holdings of sterling and United States exchange and government securities. Holdings of sterling after a sharp reduction, three weeks before, have been gradually climbing again and in the week under review increased over $8 millions to $35.8 millions.

Note circulation of the bank was about $1.1 million higher, while total deposits rose $20.4 millions. Miscellaneous liabilities were down $1.1 million.

	Oct. 29 1941 $	Oct. 22 1941 $
Liabilities		
Capital paid-up	5,000,000	5,000,000
Notes in circ.	446,121,633	445,022,255
Rest fund	3,722,910	3,722,910
Depos.: Dominion	44,644,632	41,254,743
Banks	229,102,027	212,862,034
Other	3,427,521	2,633,792
Total deposits	277,174,180	256,750,569
All other liabs.	8,329,380	9,453,112
Total liabs.	740,348,103	719,948,846
Assets		
In sterling and U. S.	35,845,079	27,835,079
Subsid. coin	607,697	554,552
Advances	1,500,000	1,500,000
Investments:		
Dom. govt. short	453,240,106	446,729,190
Other Dom. govt.	234,605,599	229,463,771
Tota invest.	687,845,705	676,192,961
Premises	1,821,458	1,818,062
All other assets	12,728,164	12,048,192
	740,348,103	719,948,846

Monthly Bank Clearings

	—October—	
	1940	1941
Halifax	$ 14,387,859	616,305,961
Saint John	9,487,496	10,566,150
Moncton	4,051,468	5,206,184
Sherbrooke	4,154,525	4,697,240
Quebec	24,322,767	25,067,986
Montreal	487,379,315	584,300,423
Ottawa	187,285,867	198,774,489
Kingston	3,208,086	3,576,701
Peterborough	2,921,179	3,567,687
Toronto	533,171,162	623,089,495
Hamilton	28,794,686	33,313,789
Kitchener	5,218,456	5,877,248
Brantford	4,639,783	5,081,944
London	13,815,000	13,132,300
Windsor	13,883,569	15,754,485
St. Catharines	......	6,076,209
Fort William	4,022,708	4,806,926
Winnipeg	231,882,888	275,153,606
Brandon	2,093,249	2,227,062
Regina	32,232,804	27,679,775
Moose Jaw	3,823,926	3,920,488
Saskatoon	8,958,887	8,257,932
Prince Albert	2,258,658	2,475,002
Edmonton	22,101,324	24,633,018
Lethbridge	2,694,907	3,197,871
Medicine Hat	1,874,785	2,141,478
N. Westminster	3,630,875	4,233,936
Vancouver	85,790,209	99,031,629
Victoria	8,738,680	9,047,730
Calgary	34,021,488	33,317,350

Weekly Bank Clearings

	Oct. 30 1941 $	Change Year Ago %	Oct. 23 1941 $
Halifax	3,517,248	+28.1	3,718,146
Saint John	2,599,725	+52.6	2,645,742
Moncton	1,169,885	+28.6	1,406,285
Sherbrooke	816,233	+4.7	1,099,193
Quebec	5,186,573	+6.9	6,192,763
Montreal	104,274,229	+16.2	138,320,658
Ottawa	38,972,562	—25.1	42,731,096
Kingston	696,506	+20.1	894,141
Peterborough	705,739	+31.3	852,987
Toronto	127,607,928	+33.3	142,312,837
Hamilton	7,850,476	+26.2	7,574,388
Kitchener	1,299,692	+25.4	1,366,091
Brantford	1,044,277	+23.5	1,178,450
London	2,390,502	+7.8	3,008,341
Chatham	567,805	+5.4	675,075
Windsor	3,745,854	+22.5	3,875,963
Sarnia	441,027	+35.6	444,922
Sudbury	1,241,170	+3.7	1,030,999
St. Catharines	1,440,986	.....	1,361,643
Fort William	902,963	+3.1	1,323,616
Winnipeg	56,451,917	+38.6	65,980,853
Brandon	475,021	+16.4	547,678
Regina	6,012,483	+6.3	5,957,165
Moose Jaw	754,276	+13.9	1,016,537
Saskatoon	1,618,339	—9.8	2,003,912
Prince Albert	520,978	+27.6	597,592
Edmonton	5,277,354	+17.0	6,018,917
Lethbridge	839,899	+66.1	740,755
Medicine Hat	481,285	+47.3	504,837
N. W'minster	898,460	+16.0	1,030,407
Vancouver	21,399,300	+29.1	25,388,063
Victoria	1,868,822	+21.8	2,131,679
Calgary	8,181,748	+3.5	8,360,217

Life Insurance Sales Officers Study Wartime Problems

Over 500 delegates and guests assembled this week in Toronto at the 20th joint annual meeting of the Association of Life Agency Officers and the Life Insurance Sales Research Bureau. It is the first time the joint meeting has ever been held in Canada and the decision to meet here was a special gesture of friendship to Canada in the present crisis. The two organizations represent about 150 life insurance companies in Canada and the United States and are concerned mainly with agency and sales problems.

Here are the members of the Canadian general committee in charge of the meeting, left to right: W. A. Hand, registrar of agencies Confederation Life Association, secretary of the committee; John G. Parker, general manager of Imperial Life; S. C. McEvenue, general manager, Canada Life; C. D. Devlin, assistant general manager, Confederation Life and chairman of the committee, who welcomed the delegates, and R. Leighton Foster, general counsel of the Canadian Life Insurance Officers Association.

Banking

Gives Two New Indices Of Money Circulation

Dominion Bureau of Statistics Breakdown of Bank Debits Between Savings and Demand Deposits Shows Velocity of Turnover

Almost unnoticed has been the introduction by the Dominion Bureau of Statistics of two useful new business barometers.

Briefly, the new dials on the business barometer reveal an improved breakdown in the "velocity" of money. Instead of finding the rate at which bank deposits as a whole turn over, the new indices separate deposits into savings and current accounts, show separately their rate of turnover.

But to the analyst or businessman who wants to know what the man in the street is doing with his money, the "velocity" of savings deposits is of deepest import.

If the velocity rises, it means that Canadians are drawing more cheques on their savings accounts, spending more of the money they have been putting by. Just as rising temperature in an individual may indicate a dozen and one different medical conditions to the physician, so quickening velocity of savings deposits may indicate varied conditions of financial health in the community.

What It Means

If the speed of turnover is stepping up, as it is at present, it may mean:

That people are drawing on accumulated savings to meet taxes, to make seasonal purchases or to meet other payments of a periodic nature.

It may mean that there has been a change in public psychology, a greater desire to buy goods, such as when a new product is introduced.

Again, rising velocity might mean that fear of inflation is affecting buying habits, that people are afraid to hold cash when they expect further price rises. And the increase might simply mean that Canadians are having to draw on savings to maintain living standards when living costs are rising.

Every major factor in Canadian business life will be reflected in some way in the velocity of savings deposit turnover, or in the companion velocity figure, that for current accounts.

Formerly lumped with savings deposits turnover, the current account velocity mainly reflects the activity in business circles. Use of current accounts is largely confined to businessmen. Since the funds are normally only in the account for a day or so, awaiting settlement of trade debts, etc., the velocity is far higher than in the slow-moving savings accounts, a ratio of over 25 to 1 in speed of turnover is shown in the new indices.

Current Account Velocity

Increasing velocity in the current account section does not carry as many possible explanations as similar changes in the turnover rate of savings deposits. Usually a rise in current account velocity will mean only one thing—increasing business activity.

Formerly the Dominion Bureau of Statistics had worked out the rate of turnover or velocity of total deposits. This was done by taking total savings and demand deposits in Canada and dividing them into total bank debits, which are the sum of the cheques cashed at the chartered banks. The result shows the speed at which bank deposits are turned over, which is an index of business conditions.

With the co-operation of the Canadian Bankers Association, debits for August and September have been broken down into savings and current accounts. As the figures for savings and current deposits are available from the monthly bank statements, it is possible to work out the velocity of current account deposits separately from that of savings accounts.

Current Accounts

Thus, take the figures for the two months for which debits have been broken down. According to the Bureau's compilation, debits to current accounts in September were $3,172 millions, against $3,033 millions in August. The current accounts against which these debits were charged amounted to $1,509 millions in September and $1,579 millions in August, deposit figures in case being those at the beginning of the month. If we divide the debits by the amounts of the current accounts we find the velocity or rate of turnover of the deposits was 2.10 in September against 1.92 in August.

Debits charged against savings deposits in September were $128.7 millions compared with $116.9 millions in August. Savings deposits at the beginning of September were $1,522 millions and at the beginning of August $1,489 millions. These figures give a velocity of savings deposits in September of .085 compared with .079 in August.

Shawinigan Files Plans For Submarine Cable

From Our Own Correspondent

MONTREAL.—Shawinigan Water & Power Co. has deposited plans with the Federal Minister of Public Works for the laying of a submarine cable in the Richelieu River at Sorel.

Bank Chat

Branch Banking in U. S.

Evidences of a change in United States sentiment toward the branch banking system are indicated by J. M. Chapman, assistant professor of banking at the School of Business, Columbia University, in a pamphlet on banking facilities for bankless towns, issued by the American Economists Council for the Study of Branch Banking.

One reason for this change no doubt was the contrast between the Canadian and American banking systems during the depression when Canadian banks held firm 100%, American unit banks were failing by the hundred.

Another reason, noted by Mr. Chapman, is that the failures in the United States left many communities without any banking facilities for miles. When a bank failed it was hard to get another one started.

Mr. Chapman indicates that legislation, both federal and state in the United States, has become much more liberal toward branch banking. One result is seen in the fact that in 18 states where favorable legislation was passed, the number of branch banks in 1939 was almost three times that of 1926.

While the total number of unit banks is decreasing, he states, the number of bank branches is increasing. This would seem to indicate an increasing trend toward the branch system.

U. S. Paper Mill Activity

MONTREAL. — American Paper and Pulp Association index of paper mill activity in the United States for the week ended October 18 rose to 104.9% of rated capacity. This contrasts with 103.1% in the preceding week and 84.5% a year ago.

Script mimeo BOND

For fast easy running on your duplicating jobs use Script Mimeo BOND. Less fuzz, less fuss. It's uniformity and opacity assures a cleaner, faster job.

Made by Provincial Paper Limited, in pure white and six attractive colours. Leading paper dealers everywhere sell and recommend it.

400,000 EMPLOYERS AND EMPLOYEES CO-OPERATE WITH THE

SUN LIFE OF CANADA

FOR PRESENT SECURITY AND INDEPENDENCE IN OLD AGE

Write to-day to the SUN LIFE branch office in your territory for information on the popular SUN LIFE Group Protection and Salary Savings Plans.

BRANCH OFFICE AND AGENCY SERVICE THROUGHOUT THE NORTH AMERICAN CONTINENT

Have your STATIONERY *and* PRINTED FORMS *printed on*

CHENEAUX BOND

AN EDDY PRODUCT

MEN

MATERIALS

MACHINES

MONEY

Victory depends on them ALL!

It all adds up to MONEY WANTED, to keep men, materials and machines at work on Canada's war effort.

Victory depends on them all, but without money the wheels won't turn.

Make it a routine matter for your employees to save and lend regularly through the Payroll Savings Plan.

Keep reminding them of the necessity. Urge them to raise their pledges. If you make it easy to save they'll find it hard to refuse.

SUPPORT THE WAR WEAPONS DRIVE IN YOUR COMMUNITY

URGE YOUR EMPLOYEES TO BUY MORE WAR SAVINGS CERTIFICATES

Toronto and Montreal Exchanges

The following table is confined to official prices for listed stocks, including curb market quotations. Where no transaction is recorded, bid and asked prices are given. For unlisted stocks, quotations by unlisted dealers are published. The Financial Post cannot accept any responsibility for such quotations.

THE WEEK'S QUOTATIONS

WEEK ENDING NOVEMBER 3

Range 1941 High	Low	Div.	Nov. 1 R'te	Y'ld %	Sales	Last Oct. 27	Week end. Nov. 3 H	L	Cl'se
[illegible]									

Quotations: ‡1940. *1939. †1938. * On account of arrears. ‡ Paid in 1940. ▲ Participating. ¶ Paid or payable in 1941 to date. ● Paid in 1941 after corporate income tax.

Mining Stocks

Week Ending November 3.

Par Val.	Range 1941 High	Low	Company	Sales	Close Oct. 27 (or last)	High for week	Low for week	Close Nov. 3
[illegible]								

Oil Stocks

Par Val.	Range 1941 High	Low	Company	Sales	Close Oct. 27	High for week	Low for week	Close Nov. 3
[illegible]								

Vancouver Stocks

Par Val.	Range 1941 High	Low	Company	Sales	Close Oct. 27	High for week	Low for week	Close Nov. 3
[illegible]								

Oil Quotations

Par Val.	Range 1941 High	Low	Company	Sales	Close Oct. 27	High for week	Low for week	Close Nov. 3
[illegible]								
No	.05	.02	Mercury	......	(.03½ bid	.04½ asked)		
No	.09	.04	Mill City Pete	400	.07	.07	.07	.07
1	.20	.12	Model	......	(.15 bid	.... asked)		
25c.	.05½	.04	National Pete	......	(.04 bid	.... asked)		
1	*.05	.04	Nordon	......	(.... bid	.... asked)		
No	.75	.40	Okalta	500	.40	.40	.40	.40
No	.04	.02	Pacalta Oil	......	(.02½ bid	.03½ asked)		
1	.26	.18	Pacific Petroleums	1,376	.20	.20	.20	.20
No	.15	.04½	Royal Canadian	......	(.04 bid	.05 asked)		
No	*.10½	.06	Royal Crest	......	(.... bid	.... asked)		
No	25.00	17.12	Royalite	7	21.00	20.00	19.00	19.00
No	.01½	.01	South End	......	(.01 bid	.... asked)		
No	.25	.10	Southwest Pete	......	(.... bid	.... asked)		
1	.05½	.02½	Spooner	......	(.02 bid	.... asked)		
25c.	.14	.10	Sunset Oil	......	(.... bid	.... asked)		
No	.06	.03	United	......	(.04 bid	.05 asked)		
No	.04½	.03	Vanalta	......	(.03 bid	.04 asked)		
1	.38½	.20	Vulcan	......	(.20 bid	.25 asked)		

*Quotations for 1940.

Winnipeg Stocks

(Transactions from Oct. 27 to Nov. 1)

	Sales	High for period	Low for period	Close Nov. 1
Forty Four	500	.25	.25	.25
Great-West Life	10	195.00	195.00	195.00
Marvel Oil	2,000	.02	.02	.02
United Grain Growers	53	11.00	10.00	10.75
Western Breweries	400	2.00	2.00	2.00
Western Steel	125	10.25	10.25	10.25

Stocks Not Traded in During Week*

	Bid	Asked		Bid	Asked
Beaver Fire	75	..	Fed. Grain, c.	.35	1.25
Beav. Lumber	2½	5	Fed. Grain, p.	35	..
Do., pref.	100¾	102½	Grouped Inc.	..	4⅞
Can. Indemnity	150	..	Home Invest.	15¼	..
Can. Airways	1	..	Nor. C. Mtg. un.	5½	10
Corr. P. Box	.60	..	North. Trusts	7	5
Cres. Cream., pf.	11	15	Traders Bldg.	43	
Dom. Envelope, p.	96	100	West. Grain, p.	5	9
Dom. Envelope, c.	8	8¼			

*Stocks more active on other exchanges not included.

Volume of Stock Sales

	Montreal Markets Indust.	Montreal Markets Mines	Toronto Markets Ind. & Mines	Vancouver Markets Ind. & Mines
Nov. 4	7,200	....	126,800	......
Nov. 3	7,900	5,600	115,000	22,875
Nov. 1	5,000	1,300	108,000	6,125
Oct. 31	8,000	11,000	217,000	2,900
Oct. 30	6,500	6,600	178,000	6,830
Oct. 29	5,900	6,500	203,000	5,845

Government Bonds

(Supplied by Investment Dealers' Assoc. of Canada)

Nov. 5, 1941

%	Due	Bid	Ask.	Approx. Yld.
Dominion of Canada Bonds				
5	Nov. '41	100	100⅛	...
1½	May '42	100¼	100⅜	.19
2	June '42	100½	101	.35
3	Oct. '42	101⅝	102¼	.60
2½	June '43	101⅜	102¼	1.19
5	Oct. '43	106½	106¾	1.58
2	June '44	100⅜	101¼	1.50
a2½	Jan. '44	99	99½‡	2.48
4½	Oct. '44	107¼	107⅝	1.78
2½	Nov. '44	102	102½	1.63
a2½	Aug. '45	98½	99½‡	2.71
a4	Oct. '45	104	104½	b1.66
2	Mar. '45	100¼	101	1.69
2	Dec. '46	98⅜	99¼	2.15
4½	Feb. '46	109	109⅜	2.09
3½	June '49	102⅜	103¼	b2.43
3½	Oct. '49	102½	103¼	b2.37
3½	Nov. '51	101¼	102	b2.93
3½	Feb. '52	101¼	102	b2.97
a5	May '52	101¼	102‡	b.98
4	Oct. '52	105⅜	106⅜	b2.82
3	June '51	99¼	100	3.08
3	Oct. '52	99	99⅜	3.04
3	June '55	99	99⅜	3.03
4½	Nov. '56	107	107⅜	b2.82
4½	Nov. '57	107⅜	108½	b2.94
3	June '58	99	99⅜	3.02
4½	Nov. '58	108⅜	109¼	b3.02
4½	Nov. '59	109¼	110¼	b3.06
a4	Oct. '60	105¼	106‡	b3.22
a3½	Jan. '61	98¼	99½‡	3.33
3½	June '66	101	101⅜	b3.10
a3e	Jan. '67	95	95½‡	3.26
a3e	Nov. '68	95	95½‡	3.25
†3	Perpet'l.	93⅜	94½	3.17
Dominion Guarant'd Bonds				
Can. Nat'l. Railways:				
2	Feb. '43	100½	101¼	1.01
2½	Jan. '46	100¼	101¼	1.93
3	May '44	102⅜	103¼	1.56
3	Dec. '50	99¼	100	3.00
3	Feb. '53	98½	99¼	3.07
3	Jan. '59	97⅜	98¼	3.11
*4½	Sept. '51	115⅜	116⅜	2.56
*4½	Feb. '56	116¼	117¼	2.98
4½	July '57	116⅜	117⅜	3.06
*4½	June '55	118¼	119¼	2.98
5	Feb. '54	117¼	118¼	3.16
*5e	July '69	115⅜	116¼	b.73
*5e	Oct. '69	119⅜	120⅜	b2.65
*5e	Feb. '70	119	120¼	b2.80
Grand Trunk Pacific Rly.:				
3	Jan. '62	101	102½	2.82
Provincial Gov't. Bonds				
New Brunswick:				
3	Oct. '51	91	93	3.85
3½	Aug. '49	94	96	3.85
3½	June '56	94	96	3.86
c4	Nov. '47	101	104	b2.93
c4½	Apr. '61	104½	106½	4.01
c5	Jan. '60	107½	109½	4.24
Nova Scotia:				
3	Jan. '52	95½	97	3.35
3½	June '56	96	98	3.42
3½	Nov. '50	99	101	3.37
c4½	Sept. '52	107	109	b2.81
c4½	Nov. '60	110½	112½	3.58
c5	Mar. '60	117	119	3.57
Ontario:				
2½	May '45	99½	100½	2.35
3	Apr. '48	99½	100½	b2.94
3	Nov. '50	98½	99½	3.06
3½	Nov. '51	100	101	b3.10
3½	May '55	99⅜	100⅜	b3.16
*4	June '62	108½	110½	3.29
*4½	June '50	109	110	3.15
*4½	Jan. '62	114	116	3.39
5	Oct. '48	110½	111½	3.13
*5	Dec. '60	121	123	3.35
5½	July '46	110½	111½	3.05
Ont. Hydro Commission:				
3	Aug. '48	99½	100	b3.00
3½	Feb. '53	100	101	b3.11
3½	Apr. '47	101½	102½	2.99
Prince Edward Island:				
4	Mar. '54	100	101½	3.84
Quebec:				
3	Nov. '47	97	98½	3.27
3½	Mar. '48	97	99	3.42
3½	Mar. '59	95	97	[illegible]
4	Nov. '52	100½	102	[illegible]
3½	Feb. '55	98½	100	[illegible]
4½	Aug. '58	102	104	[illegible]
4½	Jan. '63	106	108	[illegible]
Alberta:				
4	Dec. '54	60	64	[illegible]
4½	Oct. '51	67	[illegible]	[illegible]
4½	Oct. '56	62	..	[illegible]
*5	Oct. '59	63½	66	[illegible]
c5½	Apr. '52	66	67½	[illegible]
6	Mar. '47	69	72	[illegible]
British Columbia:				
c4	Dec. '57	99	102	[illegible]
*4½	Jan. '51	105	108	[illegible]
c4½	Oct. '53	105	108	[illegible]
c5	Apr. '54	108	112	[illegible]
5½	Feb. '45	103	107	[illegible]
6	Feb. '47	106	110	[illegible]
Manitoba:				
c4	Dec. '57	94	98	[illegible]
c4½	Dec. '56	95½	99½	[illegible]
*5	Dec. '59	100	104	[illegible]
5½	Oct. '55	100	104	[illegible]
6	Apr. '47	101	105	[illegible]
Saskatchewan:				
4	Sept. '54	76	80	[illegible]
4	Nov. '60	75	79	[illegible]
c4½	Oct. '51	86	90	[illegible]
c4½	Mar. '60	82	86	[illegible]
5	Aug. '58	86	90	[illegible]
5½	Oct. '52	90	94	[illegible]
6	Mar. '52	92	96	[illegible]

*—Payable Can., N.Y. and £. b—Calculated to call date giving lowest possible yield. c—Payable Can. & N.Y. [illegible]—Payable N.Y. †—Callable on or after Sept. 15, 1966. d—Traded flat. Interest being paid at 50% of coupon rate, minimum rate 2%. e—Callable at a premium. ‡—N.Y. funds.

Unlisted Stocks

(Furnished by A. J. Pattison Jr. & Co., Toronto)

Nov. 4, 1941

Industrials:	Bid	Ask.
Acme Farm., pf.	38½	43½
Andian National	29½	31
Anglo C. Tel., A	7⅜	8½
Atlas Steel	20½	..
Barrymore, pfd.	30	..
Brant. Roof.	1⅜	..
B. C. Pulp, c.	11½	12½
Do., pfd.	65	70
B. C. Sugar	74	76½
B. C. Tel., 1st p.	111	114
Brown, pfd.	34	35⅜
Burns & Co., A	5½	6½
Do., B	2	3
Brant. Roof., c.	1⅜	..
Can. Co-op. Wl.	8	..
Can. Indust., A	175	..
Can. Ing. Rand	75	77
Can. Mot. L.A.B.	2⅜	..
Can. Tube, 1st p	84	..
Chase, A. W., p.	18½	20
Claude Neon, p.	3½	4½
Colonial Steam.	26	28½
Copeland Fl. un.	12	14
Colonial Realty	2	..
Dunlop T. p. $25	22	23
Easy Wash. p $10	10½	11½
Galt Brass, c.	8	..
Goderich Elev.	6⅜	7½
Guelph Carp., c.	18	20
Gurney Fdry., p	1½	1⅜
Hayes Steel, c.	14	16½
Hi'land Dairy, p	49	51
Homewood San.	100	108
Inglis, John	5	6
Ingram & Bell p	95	..
Kingst. Ship. un	32	..
Do., com.	4½	..
Loblaw, Inc., c.	11½	13
Minn.&Ont. P. c	4½	4⅜
M'row Screw, p.	104	106
Do., com.	12½	..

	Bid	Ask.
Moirs, Ltd.	19½	21½
Mt. R. Hotel, c.	2⅜	3⅜
Mt. R. Hotel, c.	2½	3½
N. B. Tel., c.	10½	12½
Neilson, Wm. p.	100	..
N. Meth. Ldy. p	56	58½
Ont. Jockey C.	800	900
Ont. Tobacco, p.	18	20
Pac. C. Term. c.	..	9
Prov. Paper, pf.	101	103⅜
Quinte Milk	2½	3½
Ruddy, E. L., p.	22	25
Stand. Fuel, p.	52½	56
Stedman, pf. $50	57	59½
Sutton Horsley	1	1½
Tor. Carpet, c.	40	..
Do., pfd.	65	70
Un. F. Co-op.	2⅜	3½
Un. Steel, A pf.	22½	24½
Viceroy Mfg., c.	12½	..
Trusts & Loan Stocks:		
Brit. Mtge.	127	134
Brockville Tr.	42	..
Capital Tr.	30	32½
Comm. Fin., c.	3⅜	..
Grey&Br. Tr. $50	43	..
Guaranty Trust.	100½	103½
Guelph & O. $50	51	54½
Indust. Mtge.	24	..
Lambton Loan	31	33½
Midland Loan	14	16
Premier Trust	..	42
Sherbrooke Tr.	120	..
Sterling Trust	51	56
Th. Can. Inv. Tr.	1⅜	..
Traders Fin. A c	6	8
Do., A pfd.	74	79
Trusts & Gr. new	38	42
Victoria Trust	70½	75
Waterloo Trust	99	..

Insurance Stocks:	Bid	Ask.
Canada Life	350	[illegible]
Brit. Amer.	51½	[illegible]
Canadian Fire	80	84
Confed. 30% pd.	130	135
Continental L.	35	40
Crown, fully pd.	265	[illegible]
Dominion Fire	135	145
D. of Can. Gen.	115	120
Empire, 25% pd.	5	6
Excelsior 38% pd	70	75
Federal, 25% pd.	51	..
Great-West Life	195	205
Halifax Fire	16½	18
Imperial Life	280	295
Manufac. Life	215	225
Monarch Life	33	35
National Life	..	19
Sov. L. 25% pd.	12½	..
Sun Life	285	305
Tor. General	4½	5
Wellington Fire.	58	..
Western Assce.	43	46
Theatre Stocks:		
Allen's, St. Cath., units	52	..
Loew's London p	2⅜	3⅜
Mansf. Theat. p.	28½	30
Para. Kitch., p.	50	..
Do., Oshawa, c	8	10
Investment Trust Shares:		
Can. Investors	4	5
Inv. Found. un.	42½	44½
Sec's. Hold., pf.	18½	20½
United Corp., A	20½	22½
Do., B	7	8
Power Issues:		
Can. W. N. Gas	26	..
Do., pfd.	101	103
Gt. Lakes Pr., p.	102½	105
Mtl. Is. Pwr., p.	40	..
Nor. Ont. Pr. p.	70	75

Unlisted Mines

Toronto, Nov. 4, 1941

	Bid	Ask
Albany R (old)	.03	.05
(new)	.09	.12
Amal K	.06½	.07½
Anoki	.03	.04
Aquarius	.18	.20
Arjon	.04½	.05½
Armistice	.12	.15
Argosy	.06	.08
Area	.03	.04
Athona (old)	.01	.02
(new)	.01½	.02½
Barb La	.02	.03
Bilmac	..	.02
Brock	.08	.10
Buf Bear	..	.03
Cald Bo	.03	.04½
Can Rad	.07	.09
Cent M	.02	.02½
Cheminis	.03½	.04
Coin La	.02½	.03½
Cons Ch	.04	.06
Crescent	.00½	.01
Croscourt	.09½	.12
Dayton	.01	.02
Delpine	.12	.14
Demp C	.01	.02
Denovo	.10	.12
Desants n	.10	.15
Dona Pat	.01	.01½
E Laco'a	..	.01
E'ward	.09	.12
Elmos	.06	.08
Franco	.28	.33
Galore	.01	.01½
Gate Pat	..	.01
Hayes C	.02½	.03½
G'drock	.11	.13
Gilbec	..	.01
H'ridge	..	.08
Hoyle n	.15½	.16½
Hu PaP	.05	.07
Hutch La	.01	.02
Jasper	.02	.12
Keora	.01	.02
Kenricia	.01	.02
Kewag	.02	.03
Kiena	.01	.03
Kirk Ga	.00⅜	.01½
Lacoma	.00½	.01
Laguerre	.28	.30
La Duf	.17	.20
La Gen	..	.11
Largold	.20	23
Lw Pete	.13	.17
Magn C	.77	.81
Magn L	.18	..
Mart B	.02½	.03½
Margar	.07	..
Mata Ca	.03½	.04½
Mata Co	.20	.22
McMar	..	.30
MofHa n	.01½	.02½
Mooshla	.01½	.03
Mosher	.11	.13
McMan	.01½	.02½
Nat Mal	.24	.27
New Aug	.24	.27
Nick O	.70	.85
Norbeau	.20	.23
Northland (1940)	.03	.05
Norwin	.05	..
New Mal	..	.18
Newbec	.01	.02
Nu'lake	.10	.15
Oklend	.05	.07
O'Leary	.03	.04
Opemiska	.05	.08
Oriole	..	.01
Orpit	.10	.12
Ossian	..	.01
Pascalis	.23	.25
Pontiac R (old)	.02	.04
Pelangio	.01	.02½
Phoenix	.01	.02½
Polaris	..	.05½
Propri'y	4.20	4.45
Presdor	.04	.04½
Queb Mn	.14	.17
Rahn La	.01	.01½
Rand Ml	.10	.12
Red Lake	.01	.02
Ritoria	.02½	.03½
Ribago n	.00⅜	.01
Rouge D	.05	.08
S.A.G.A.	.80	1.10
Sachigo	4.00	4.25
Sanshaw Special	..	.07
Senore	..	.03
Shenango (new)	..	.17
Sheldon	.03½	.05
Skynner	.01	.01½
Smelt G	.00⅜	.01½
Sunbeam	..	.01½
Springer	.19	.21
Stadac	.08	.11
Thomson	.12	.14
Treaty P	..	.05
Union M	.03	.04
Tobico	.07	.10
West R	.00½	.01½
Wesley	.02½	.03
YDavid	.23	.26

Corporation Bonds

(Supplied by Investment Dealers' Association of Canada)

Nov. 4, 1941

Public Utility Issues:	Int. Rate %	Due	Bid Nov. 4	Asked Nov. 4	Bid Oct. 28
▲†Alg. C. H.B.R.	5	'59	11	13	11
†Assoc. Tel. & T.	5½	'55	67	70	68
B. C. Power	4½	'60	99½	101½	99½
B. C. Tel.	4½	'61	105½	107½	106
†Calgary Pwr.	5	'60	106	108	106
Do.	5	'64	103	105	103
†Can. Nor. Pwr.	5	'53	102	104	102
*Dom. Gas & El.	6½	'45	102	104	102
Gatineau Pwr.	5	'49	99½	101½	99½
*Do., A	3⅜	'69	99	101	98½
♦Do., B	3⅜	'69	98	100	98
Gt. Lakes Pwr.	4½	'56	100½	102½	100½
Do.	5	'57	97½	100½	98
*Int. Hydro-El.	6	'44	39	42	40
▲Inter. Power	6	'55	101	...	101½
L. St. Law. Pwr.	5	'55	99½	101½	98½
Macl'n-Que. Pr.	4	'59	98½	100½	98½
Mtl. L. H. & Pr.	3½	'56	103	105	103
Do.	3½	'73	101	103	101
Do.	3½	'63	101½	103½	101½
†Mtl. Tramways.	5	'41	97	99	97
†Do.	5	'55	69½	71½	69
Nat. Lt. & Pwr.	6	'49	101½	103½	101½
N. S. Lt. Pr.	4	'57	101	...	101
Ottawa L.H.&P.	4	'57	101	...	101
Ottawa V. Pwr.	5	'59	101	103	101½
†Power Corp.	4½	'59	94½	97½	95
Quebec Pwr.	4	'62	102	104	102
*Saguenay P.	4½	'66	107	...	107
♦Do., B	4½	'66	105½	107½	104½
St. Maurice Pr.	4½	'70	102½	104½	102
Shaw. W. & Pr.	4	'61	102½	104½	103
Do.	3½	'46	100	102	100
Do.	4	'69	102	104	102½
Union Gas	4½	'50	102	104	102
*Twin C. R. Tr.	5½	'52	72	75	69½
†United Secs.	5½	'52	41½	44½	40
‡Wpg. El. ser. A.	5	'65	79	82	78
Do., B	5	'65	62½	65½	60½
Industrial and Realty Issues:					
†Abitibi P. & P.	5	'53	67	70	65½
Do., C.O.D.	5	'53	67	70	65½
Acadia Sugar	4½	'55	101½	...	101½
Do.	6	'54	98½	101½	98½
†Alta. Pa. Grain.	6	'46	101½	...	101
Algoma Steel	5	'48	103	106	103
Atlantic Sugar	4	'51	101	...	101
†B. C. Pulp & P.	6	'50	94	97	94½
‡†Do.	7	'50	116	119	115
*Brown Co.	5½	'46	71½	74½	69½
Burns & Co.	5	'58	68½	71½	67½
Canada Cement	4½	'51	103½	105½	103½
Canada Electric	4½	'65	96	99	96
Can. Paper	4½	'52	101½	103½	101½
Can. Steamships	5	'57	101	103	101
Can. Canners	4	'51	102	104	102
*Can. Int. Paper.	6	'49	105	107	104½
‡Can. Locomotive	6	'53	94	97	92½
‡†Candn. Vickers	6	'47	91	94	82
C. P. R.	3½	'51	95½	97½	95
Do.	4	'49	99	101	99
Do.	6	'42	100½	102½	101
Col. Steamships	6	'54	99	102	99
†Consol. Paper.	5½	'61	75	78	..
Dom. Coal	4½	'52	101½	103½	101
Dom. Scott. Inv.	4	'52	95	..	95
Dom. Stl. & C.	6½	'55	104½	107½	105
Dom. Tar	4½	'51	102½	104½	102½
Dom. Woollens.	6	'53	97	100	97
†Donnacona Pap.	4½	'56	80½	83½	79½
*Dryden Pap.	6	'49	100½	103½	100½
†East. Dairies	6	'49	83	86	84
Famous Players	4½	'51	99	101	99½
†Federal Grain	6	'49	101½	...	101
†Fraser Cos.	6	'50	101½	...	101
Galt Brass	5	'50	91	...	91
Gen. Stl. Wares	4½	'52	99½	101½	100
*Gt. L. Paper	5	'55	94½	96½	95
*Gurney Fdry.	5½	'48	76	79	76½
†Gypsum Lime	5½	'48	101½	103½	101
Ham. By-Pr. C.	5	'55	102½	104½	102½
Do.	6	'56	100	103	100
Ham. Cotton	4½	'50	100½	102½	100½
Inter-City Bak.	5½	'48	102	...	102
Indust. Accept.	4	'52	79	82	78
Ins. Ex. Bldg.	3	'51	43	46	42½
*Inter. P. Nfld.	4½	'68	90	93	90
*Inv. Bond & Sh.	5	'47	43	46	42½
†Kingston Elev.	6	'50	105	107	105
Lake St. J. P.	5½	'61	91	94	90½
Do.	5	'61	69	72	69
Legare	6	'61	87	90	87
Maple L. M.	3	'58	78½	81½	77
Man. Sugar	5	'60	100½	102½	100½
Massey-Harris	4½	'54	95½	98½	94
McColl-Fron.	4½	'49	102½	104½	102
McCormicks	4	'52	95½	98½	95½
Do.	4½	'52	103	...	103
Mercury Mills	5	'59	95½	98½	95½

Corporation Bonds (Cont'd)

	Int. Rate %	Due	Bid Nov. 4	Asked Nov. 4	Bid Oct. 28
Mersey Paper	5	'57	97½	100½	98
†Do.	6	'49	99	102	99
*M. & O. Paper	5	'60	96	98	..
Moirs Ltd.	6	'33	89	92	87
‡Mtrl. Drydocks.	6	'48	82	85	80
Montreal Apts.	4	'54	53½	56½	53½
Nat. Grocers	4	'47	101	...	101
N. S. Stl. Coal	3½	'63	83	86	87
Price Bros.	5	'57	98	101	98
Do.	4	'57	86	89	85½
*Prov. Paper	5½	'47	105	...	105
Reliance Grain.	4½	'52	96	99	96
†Restigouche Co.	6	'48	101	...	100
Rolland Paper	4½	'51	102½	104½	102
Ruddy, E. L.	6½	'48	101	...	101
Silv. Dairies	6	'66	93	96	93
Simpsons, Ltd.	4½	'51	101½	103½	101⅜
Smith, Howard.	4½	'51	103½	105½	103½
Stand. Lime	6	'44	97	..	97
Sterling Coal	6	'45	97½	100½	97½
Stop Shop	3	'47	58	61	58
United Corp.	5	'53	92½	95½	91½
*United Gas	5½	'48	104½	...	104½
United Gr. Grs.	5	'48	97	100	97
†Western Grain	6	'49	64½	67½	64½

*Payable in Can. or U. S.
†Payable in Can., U. S. or U. K.
*Payable in U. S.
♦Payable in Canada only.
‡Traded without accrued interest.
▲Payable in Can. or U. K.

Supplementary Stock Quotations

(Furnished by Plaxton, Cherry & Co., Toronto)

Nov. 4, 1941

Miscellaneous Stocks:	Bid Nov. 4	Asked Nov. 4	Bid Oct. 28
†Allens Tor. Th., p.	33½	35	33
Atlas Steels, 7% pfd.	103	106	104
Brantford Roofing, c.	1⅜	2½	1⅜
Brinton Peterboro Cpt.	39	..	33
Brown Co., new com.	2.10	2½	2
Do., new p.	34½	35½	33⅜
Can. Col. Airways	3	3⅜	3
*Can. Gen. Rubber, pfd.	25½	27	25½
Can. Mach., new c.	7½	8	7
C.P.R., 4% pfd. (par)	2½	3½	2½
Cap. Wirecloth, p.	21½	23½	21½
Cawthra Apts., pfd.	1⅜	2½	1⅜
Corrug. Paperbox, c.	.75	.95	.70
Dom. Life, 70% pd.	160	185	160
Dover Industries	6⅜	7	6½
†Fort W., Hotel, units	44½	50	44
Galt Brass, c.	9½	10	9
Imperial Varnish, c.	9½	10½	9½
Indust. Accept., 5% p.	71½	74	71
Inter. Util., 1.75 pfd.	14	15½	14
Do., 3.50 pfd.	38	40	39
London & West. Trusts	34	38	34½
*Monarch Mtge. Inv. un.	.40	.50	.40
Murphy Paint, com.	9½	10	9
Do., pfd.	89½	91½	89½
Nat. Hosiery, pfd.	.75	.90	.75
†N. Amer. Elevator, p.	75	..	75
St. John Dry D., p.	99½	101½	99
Seal-o-Sac	.75	1.00	.70
Third Can. Gen. Inv.	1.50	2.25	1.40
Tip Top Tailors Inc., p.	14	15½	14
Traders Finance rts.	12½	13½	12⅜
Waterloo Mfg., new c.	.50	.90	.50
Wentworth Radio, p.	2½	3.50	2
West Can. Hydro, p.	10⅜	11½	10½
West. Life, 10% pd.	8⅜	9½	8½

*Issue carries arrears.
†Currently paying on arrears.

Municipal Bonds

Nov. 4, 1941

	%	Due	Bid	Ask	Yld. %
†Halifax	5	1961	113.00	116.00	3.85
Hamilton	5	1950	109.25	112.25	3.35
Monteal	5	1945	95.00	97.00	6.00
Ottawa	4½	1945	104.65	107.15	2.50
†Quebec	5	1959	106.00	108.00	4.25
Saint John	5	1950	104.00	106.00	4.20
†Toronto	4½	1955	109.00	112.50	3.35
†Vancouver	5	1950	104.00	108.00	3.85
Winnipeg	5	1944	102.00	104.00	3.61

†Payable Can. & N.Y.

Investment Trusts

	Bid	Asked
Affiliated Funds	2.19	2.40
Can. Amer. Trust	3.00	3.45
Can. Inter. Trust	4.00	4.75
Can. Invest. Fund	3.15	3.30
Corporate Investors	5.63	6.05
Trans-Canada	9.95	10.80

Mining Dividends

	Rate	Nov. 3	Yield %
Anglo-Huronian	▲10c	2.65	..
Aunor Gold	16c	1.70	9.4
Beattie Gold	16c	1.04	15.4
Berens River	†3c	.90	..
Bralorne	80c+40c	10.63	*11.3
Brouillan Porc.	12c	.71	16.9
Buffalo Ankerite	▲30c	3.75	..
Bulolo Gold	$3	17.00	17.6
Can. Malartic	8c	.50	16
Cariboo Gold	16c+8c	2.20	*10.9
Central Patricia	16c+6c	1.45	*15.1
Chesterville	10c	1.65	..
Cochenour Willans	3c	.63	..
Coniagas	▲17½c	1.27	..
Coniaurum	16c	1.15	13.9
Cons. Smelters	$1+$1.50	38.75	*6.5
Delnite	▲3c	.68	..
Dome Mines	$2	19.00	10.5
East Malartic	▲20c	2.00	..
Falconbridge	15c	3.40	..
Francoeur Gold	▲4c	.42	..
Goldale	‡2c	.12⅛	..
Gold Belt	▲2c	.21	..
Grandview	▲1½c	.15¾	..
Gunnar Gold	6c	.21	..
Hallnor	60c	3.50	17.1
Hard Rock	▲5c	.69	..
Hedley Mascot	8c	.45	17.8
Hollinger	65c+45c	11.00	*10
Howey Gold	▲4c	.22	..
Hudson Bay	$2	26.00	7.7
Inspiration	†2c	.36	..
Inter. Nickel, com.	$2	33.25	6
Island Mountain	▲18c	1.25	..
Jason	†2c	.31	..
Kerr Addison	▲27c	4.40	..
Kerr Lake	‡10c	.20	..
Kirkland Lake	10c+1c	.63	*17.4
Kootenay Belle	▲8c	.20	..
Lamaque Gold	40c+15c	3.90	*14.1
Lake Shore	$1.40	11.75	11.9
Leitch	8c	.40	20
Little Long Lac	▲10c	1.60	..
Macassa	32c+3c	3.25	*10.8
Madsen R. Lake	▲3c	.60	..
Malartic Gold	†5c	2.15	..
McGillivray Coal	‡3c+1c	.25	..
McKenzie Red L.	12c	1.07	11.2
Moneta	8c	.30	..
McIntyre-Porc.	$2.22+$1.11	46.75	*6.4
MacLeod-Cockshutt	10c	2.05	..
Naybob Gold	4c	.22½	..
Negus	†5c	.60	..
Nipissing	15c	1.20	12.5
Noranda	$4	50.50	7.9
North Empire	▲20c	3.75	..
O'Brien Gold	10c	1.03	..
Pamour Porc.	18c	1.08	16.6
Pato Cons.	20c+2c	2.85	*7.7
Pend Oreille	‡6c	1.60	..
Perron Gold	16c+9c	1.52	*16.4
Pioneer, B.C.	40c	2.10	19
Pickle Crow	40c	2.65	15
Placer Develop.	$1.20	9.00	13.3
Premier	11c	.68	16.1
Preston E. Dome	20c+10c	3.10	*9.7
Privateer Mines	12c+4c	.47	..
Quebec Gold	‡2c	.25	..
Relief Arlington	3c	.01¼	..
San Antonio	14c+6c	2.23	*9.4
Sheep Creek	16c	.87	18.4
Sherritt Gordon	▲5c	.85	..
Sigma Mines	▲30c	6.45	..
Silbak Premier	16c	.73	21.8
Siscoe	▲8½c	.50	..
Sturgeon River	4c	.14	..
Sudbury Basin	▲2½c	1.55	..
Sullivan Cons.	▲5½c	.65	..
Surf Inlet	▲2c	.10	..
Sylvanite Gold	28c	2.25	12.4
Teck-Hughes	40c	2.50	16
Toburn	12c+6c	1.20	*15
Upper Canada	▲11c	1.20	..
Ventures	▲10c	3.80	..
Waite Amulet	40c	4.70	..
Wendigo	3c	.16	..
Wright-Harg.	40c+20c	2.90	*20.7
Ymir Yankee	2c	.04¼	..

‡Paid in 1940. ▲Paid or declared payable in 1941 to date.
*Yield including bonus. †Initial.

Dividends Declared

	This payment	Date payable	Date of record
Agnew-Surpass, p.	$1.75	Jan. 2	Dec. 15
Amalgamated Oils	■*4c	Nov. 15	Oct. 31
Assoc. Tele., pfd.	†56c	Nov. 15	Nov. 1
Do., $6 pref.	†48c	Nov. 15	Nov. 1
Aluminum, com.	$2	Dec. 5	Nov. 15
Do., special	$2	Dec. 5	Nov. 15
Do., pref.	†$1.50	Dec. 1	Nov. 8
Aunor Gold	4c	Dec. 1	Nov. 15
Bk. Can. Nationale	$2	Dec. 1	Nov. 15
Bank of Montreal	$2	Dec 1	Oct. 31
Bank of Toronto	$2.50	Dec. 1	Nov. 15
Berens River	*3c	Dec. 18	Dec. 5
Brazilian Tr., ord.	40c	Dec. 22	Oct. 15
Bathurst Pr., A	25c	Dec. 1	Nov. 14
Do., extra	25c	Dec. 1	Nov. 14
Belding-Cort.	$1	Jan. 2	Dec. 15
Do., pef.	$1.75	Jan. 2	Dec. 15
Can. W. & Cable, A	■$1	Dec. 15	Nov. 30
Do., B	■50c	Dec. 15	Nov. 30
Do., pef.	■$1.62½	Dec. 15	Nov. 30
Can. Breweries, p.	75c	Jan. 2	Dec. 15
Can. Gen. Elec.	$2	Jan. 2	Dec. 13
Can. For. Inv., pfd.	$2	Jan. 1	Nov. 15
Can. Ind. Alc., A, B	15c	Dec. 1	Nov. 20
Cel. of Amer. pfd.	†$1.75	Jan. 1/42	Dec. 16
Do., part. pfd.	†$3.50	Dec. 31	Dec. 16
Cons. D. Std. Sec. p	37½c	Dec. 15	Nov. 29
Commonw'th Pet.	3c	Nov. 10	Oct. 18
Can. Oil, c.	12½c	Nov. 15	Nov. 1
Do., extra	12½c	Nov. 15	Nov. 1
Do., bonus	20c	Dec. 15	Dec. 1
Can. Forgings, A	37½c	Dec. 15	Dec. 1
Confederation Life	$1.50	Dec. 31	Dec. 25
Commonw'th. Inter.	4c	Nov. 15	Oct. 15
Crown Cork	50c	Nov. 15	Oct. 31
Crow's N. Coal	■$1.50	Dec. 2	Nov. 7
Cosmos Imperial	30c	Nov. 15	Oct. 31
Commoil	1c	Nov 27	Nov. 12
Corr. Pap. Box, pf.	$1.75	Dec. 1	Nov. 15
Do., arrears	$1.75	Dec. 1	Nov. 15
Can. Dom. Sugar	■37½c	Dec. 1	Nov. 15
Canada Bud	20c	Dec. 11	Dec. 5
Canada Dry	†15c	Dec. 9	Nov. 24
Do., extra	40c	Dec. 9	Nov. 24
Dom. Foundries, p.	$1.50	Dec. 1	Nov. 20
Dom. Scot. Inv., pfd.	50c	Dec. 1	Nov. 20
Dom. Bridge	30c	Nov. 25	Oct. 31
Dom. & Anglo In. p	$1.25	Dec. 1	Nov. 15
Gen. Steel W., p.	$1.75	Nov. 20	Nov. 8
Granby Cons. M.	†■15c	Dec. 1	Nov. 14
Hedley Mascot	2c	Nov. 15	Oct. 24
Hallnor Mines	15c	Dec. 1	Nov. 15
Inter. Nickel, c.	†50c	Dec. 31	Dec. 1
Int. Paper, p. arrears	†$5	Nov. 15	Nov. 7
Italo Arg. Elec.	‡3.50 pes.	Nov. 10	Oct. 31
Island Mtn. M.	10c	Dec. 15	Nov. 28
Lake of W. Mill.	30c	Dec. 1	Nov. 15
Do., pref.	$1.75	Dec. 1	Nov. 15
Leitch Gold	2c	Nov. 15	Oct. 31
Loblaw Groc. Inc.	†25c	Dec. 1	Nov. 14
Langley's, pref.	■50c	Dec. 12	Dec. 3
Loblaw Groc., A, B	25c	Dec.	Nov. 10
Do., extra	12½c	Dec. 1	Nov. 10
MacL.-Cockshutt	10c	Dec. 1	Nov. 20
Madsen R. Lake	3c	Dec. 1	Nov. 10
McIntyre Porc.	55½c	Dec. 1	Nov. 1
Do., extra	$1.11	Jan. 2	Nov. 1
McKen. R. Lake	3c	Dec. 15	Dec. 1
Melchers Dist., p.	30c	Dec. 15	Dec. 1
N. S. L. & Pwr., pf.	$1.50	Dec. 1	Nov. 15
Nat. Steel Car	50c	Jan. 15	Dec. 31
Noranda Mines	$1	Dec. 15	Nov. 20
Nipissing Mines	■15c	Dec. 11	Nov. 15
Nat. Biscuit	†40c	Jan. 15	Dec. 16
Do. pref.	†$1.75	Nov. 29	Nov. 14
Ont. Steel	25c	Nov. 15	Nov. 3
Do., pref.	$1.75	Nov. 15	Nov. 3
Ont. Silknit, pfd.	$1	Nov. 15	Nov. 1
Pamour Porc.	6c	Dec. 1	Nov. 15
Perron Gold	■4c	Dec. 20	Dec. 1
Do., extra	■6c	Dec. 20	Dec. 1
Penmans	75c	Nov. 15	Nov. 5
Privateer Mine	3c	Nov. 10	Oct. 25
Do., extra	1c	Nov. 10	Oct. 25
Quebec Power	25c	Nov. 25	Oct. 24
Reliance Gain, p.	$1.62½	Dec. 15	....
Do., arrears	$1.62½	Dec. 15	....
Remington Rand	†25c	Jan. 2	Dec. 10
Do., pref.	†$1.12½	Jan. 2	Dec. 10
Rolland Paper	15c	Nov. 15	Nov. 5
Do., pref.	$1.50	Dec. 1	Nov. 15
Regent Knit., pfd.	40c	Dec. 1	Nov. 15
Royal Bank	$2	Dec. 1	Oct. 31
South. Can. Pwr., c.	20c	Nov. 15	Oct. 31
Shawinigan W.	22c	Nov. 25	Oct. 24
Sullivan Cons.	2½c	Nov. 15	Oct. 15
Sherritt Gordon	5c	Dec. 15	Oct. 31
Sherbrooke Trust	$1.50	Nov. 1	Oct. 15
Siscoe Gold	2c	Dec. 15	Nov. 15
Sylvanite Gold	7c	Dec. 27	Nov. 8
Toburn Gold	3c	Nov. 22	Oct. 22
Do., extra	1c	Nov. 22	Oct. 22
Toronto Elev.	$1	Nov. 7	Oct. 25
Do., pref.	66c	Dec. 6	Nov. 25
Unit. Amuse., A, B	40c	Nov. 29	Nov. 15
Un. Gold Eq., st. c.	6c	Dec. 30	Dec. 19
Un. Bond & Share	15c	Jan. 15/42	Dec. 30
United Corp., A	37c	Nov. 15	Oct. 15
United Fuel, p. A	75c	Jan. 2	Dec. 20
Union Gas	20c	Dec. 15	Nov. 20
Upper Can. Mines	3c	Dec. 10	Nov. 20
Western Steel	*50c	Dec. 1	Nov. 15
Waite Amulet M.	20c	Dec. 10	Nov. 15
Walker-Good.	$1	Dec. 15	Nov. 21
Do., pref.	25c	Dec. 15	Nov. 21
W'minster Paper	25c	Nov. 10	Oct. 15
Walkerville Brew.	5c	Nov. 25	Nov. 15

†Payable in U. S. funds.
■Subject to approval of Foreign Exchange Control Board.
*Initial.
‡Less 5% Argentine tax.

Securities Chief Goes to War Job

R. B. Whitehead, K.C., has been appointed deputy administrator of the retail trade, according to an announcement by the Wartime Prices and Trade Board. Mr. Whitehead, who is chairman of the Ontario Securities Commission, is to be E. G. Burton's general assistant. His particular job will be to organize and supervise the system of regional and local offices throughout Canada. Leave of absence has been granted him by the Ontario Government.

DIVIDEND NOTICES

The Dominion Bank

Notice is hereby given that the Annual General Meeting of the Shareholders will be held at the Head Office of the Bank in Toronto on Wednesday, the tenth day of December, 1941, at the hour of 2.30 o'clock in the afternoon.

By Order of the Board.

ROBERT RAE,
General Manager.

Toronto, 23rd October, 1941.

RELIANCE GRAIN COMPANY LIMITED

6½% CUMULATIVE PREFERRED STOCK

A DIVIDEND of one and five-eighths per cent (1⅝%) per share, being the dividend for the quarter ending November 30, 1941, and a dividend of one and five-eighths per cent (1⅝%) per share, being the dividend for the quarter ended August 31, 1938, have been declared and authorized to be paid on December 15, 1941, to all preference shareholders of record with the transfer agents of the Company at the close of business on November 30, 1941.

By order of the Board,
A. W. GIBB, Secretary.
Winnipeg, October 21, 1941.

Western Steel Products Corporation Limited

DIVIDEND NO. 1

Notice is hereby given that a Dividend of Fifty (50) Cents per share, upon the Capital Stock of this Company has been declared, payable in Canadian Funds, on the first day of December next, to Shareholders of record, at the close of business on the fifteenth day of November, 1941.

By Order of the Board.

P. F. FOWLE,
Secretary-Treasurer.

Toronto, Ontario.
October 29th, 1941.

CANADA WIRE & CABLE COMPANY DIVIDEND NOTICES

PREFERRED DIVIDEND NO. 51.

TAKE NOTICE that the regular Quarterly Dividend of $1.625 per share, on the outstanding Preferred Stock of the Company for the three months' period ended 30th November, 1941, has been declared as Dividend No. 51, payable 15th December, 1941, to Shareholders of record at the close of business 30th November, 1941.

CLASS "A" DIVIDEND NO. 25.

ALSO TAKE NOTICE that a Dividend of $1.00 per share on the outstanding Class "A" Common Shares of the Company has been declared as Dividend No. 25, payable 15th December, 1941, to Shareholders of record at the close of business 30th November, 1941.

CLASS "B" DIVIDEND NO. 15.

ALSO TAKE NOTICE that an Interim Dividend of 50 cents per share on the outstanding Class "B" Common Shares of the Company has been declared as Dividend No. 15, payable 15th December, 1941, to Shareholders of record at the close of business 30th November, 1941.

By Order of the Board.

A. I. SIMMONS,
Secretary.

Toronto, 30th October, 1941.

DIVIDEND NOTICE

Canadian General Electric Company, Limited

Notice is hereby given that a dividend of two dollars per share for the quarter ending December 31, 1941, has been declared on the Common Stock of the Company.

That the above dividend is payable on January 2, 1942, to shareholders of record at the close of business on December 13, 1941.

By Order of the Board.

W. H. NESBITT,
Secretary.

Toronto, October 30, 1941.

Noranda Mines, Limited

DIVIDEND NOTICE

Notice is hereby given that an interim dividend of $1.00 per share, payable in Canadian funds, has been declared by the Directors of Noranda Mines, Limited, payable December 15th, 1941, to shareholders of record at the close of business, November 20th, 1941.

By order of the Board.

J. R. BRADFIELD,
Secretary.

Toronto, October 31st, 1941.

Pamour Porcupine MINES, LIMITED

DIVIDEND NOTICE

Notice is hereby given that an interim dividend of 6 cents per share, payable in Canadian Funds, has been declared by the Directors of PAMOUR PORCUPINE MINES, LIMITED, payable December 1st, 1941, to shareholders of record at the close of business November 15th, 1941.

By order of the Board.

J. R. BRADFIELD,
Secretary.

Toronto, Ont., October 30th, 1941.

Hallnor Mines Limited

(No Personal Liability)

DIVIDEND NOTICE

Notice is hereby given that the interim dividend of Fifteen Cents (15c) per share, payable in Canadian funds, has been declared by the Directors of HALLNOR MINES, LIMITED (No Personal Liability), payable December 1, 1941, to shareholders of record at the close of business November 15, 1941.

By order of the Board.

J. R. BRADFIELD,
Secretary.

Toronto, Ont., October 31, 1941.

Lake of the Woods Milling Company Limited

DIVIDEND NOTICE

NOTICE IS HEREBY GIVEN that a dividend of 1¾% has been declared on the Preferred shares of the Company, payable on December 1st, 1941, to shareholders of record at the close of business on November 15th, 1941.

By Order of the Board,

D. A. MacINNES,
Secretary.

NOTICE IS HEREBY GIVEN that a dividend of 30 cents per share has been declared on the outstanding shares of the Common Stock of the Company, payable on December 1st, 1941, to shareholders of record at the close of business on November 15th, 1941.

By Order of the Board,

D. A. MacINNES,
Secretary.

Flour Export Trend Dubious

Hon. Chas Dunning Reviews Prospects for Milling Trade

From Our Own Correspondent

MONTREAL. — Immediate outlook for a continuation of heavy shipments of flour for export is not encouraging, according to Hon. C. A. Dunning, president of Ogilvie Flour Mills. In so far as this indicates decreasing damage to milling facilities and stocks in the United Kingdom and favorable developments in the Battle of the Atlantic, he adds, "we cheerfully accept such reductions in export volume as may be necessary."

In his report to the shareholders of the company, Mr. Dunning drew attention to the action of the company in increasing elevator storage capacity at the head of the lakes by five million bushels, thereby advancing aggregate elevator capacity to 14 million bushels.

The volume of export business in both flour and rolled oats was greater than for many years past, he said, in referring to business during the past crop year. This had a favorable effect on the average cost of manufacture. Domestic volume was well maintained, he added, but conditions in the home markets were highly competitive and unsettled.

BANQUE CANADIENNE NATIONALE

Quarterly Dividend

NOTICE is hereby given that a dividend of two per cent (2%) (being at the rate of 8% per annum) has been declared by the Directors of the Banque Canadienne Nationale on the paid-up capital stock of the Bank for the quarter ending on the 29th day of November, 1941. This dividend, bearing the number 203, will be payable at the Main Office or at the branches of the Bank, on or after the 1st day of December, 1941, to the shareholders of record on November 15th.

By order of the Board,
CHARLES ST. PIERRE,
General Manager.

Canada Bud Breweries Limited

DIVIDEND NOTICE

Notice is hereby given that a dividend of Twenty Cents (20c) per share on the 150,000 outstanding no par value common shares of Canada Bud Breweries Limited, has been declared payable on the 11th day of December, 1941, to shareholders of record at the close of business on the 5th day of December, 1941.

By Order of Board of Directors.

J. S. FITZGERALD,
Secretary-Treasurer.

Toronto,
November 3rd. 1941.

"CANADA DRY"

Dividend Notice

At the meeting of the Board of Directors of Canada Dry Ginger Ale, Incorporated, a Delaware Corporation, held October 28, 1941, a regular dividend of fifteen cents (15¢) and a special dividend of forty cents (40¢) per share was declared, payable December 9, 1941, to stockholders of record at the close of business, November 24, 1941.

W. J. WILLIAMS, *Secretary*

Belding-Corticelli Limited

Notice of Preferred Stock Dividend No. 108

A dividend of one and three-quarters per cent (1¾%) has been declared on the Preferred Stock of this Company, for the quarter ending November 30th, 1941.

Notice of Common Stock Dividend No. 63

A dividend of one per cent (1%) has been declared on the Common Stock of this Company, for the quarter ending November 30th, 1941.

The above dividends are payable on the 2nd day of January, 1942, to Shareholders of record at the close of business the 15th day of December, 1941.

By Order of the Board.

D. F. POLLOCK,
Secretary.

Siscoe Gold Mines Limited

Notice of Dividend No. 39

NOTICE is hereby given that a Dividend of Two Cents (2c) per share on the issued Capital Stock of Siscoe Gold Mines Limited has been declared payable on December 15th, 1941, to shareholders of record at the close of business on the 15th day of November, 1941.

By Order of the Board,

H. E. GREEN,
Secretary-Treasurer.

Montreal, October 31st, 1941.

Waite Amulet Mines, Limited

DIVIDEND NOTICE

Notice is hereby given that an interim dividend of Twenty Cents (20c) per share, payable in Canadian funds, has been declared by the Directors of WAITE AMULET MINES, LIMITED, payable December 10, 1941, to shareholders of record at the close of business November 15, 1941.

By order of the Board.

J. R. BRADFIELD,
Secretary.

Toronto, Ont.
October 30th, 1941.

Sylvanite Gold Mines Limited

(No Personal Liability)

TO SHAREHOLDERS AND HOLDERS OF SHARE WARRANTS:

NOTICE OF DIVIDEND NO. 45

TAKE NOTICE that a regular quarterly Dividend of 7% (i.e. seven cents per share) on the outstanding Capital Stock of the Company, payable in Canadian funds, has been declared as Dividend No. 45.

Such Dividend will be payable December 27th, 1941, to Shareholders of record at the close of business November 8th, 1941.

In the case of Share Warrants such Dividend will be payable on or after December 27th, 1941, in respect of the shares specified therein, upon presentation and delivery of Coupon No. 45 at:

The Canadian Bank of Commerce, Toronto, or any Branch of said Bank in Canada (far Northern Branches excepted), or Liberty Bank of Buffalo, Buffalo, N.Y.

By Order of the Board.

W. S. WALTON, Secretary.

TORONTO, October 29th, 1941.

Silverwoods Opens Plant

Sales and Earnings Rise Sharply in First Half of Fiscal Year

With the formal opening this week of its new London central plant, Silverwood Dairies Ltd. will be able to handle the growing volume of business with greater efficiency and lower costs, it is expected. The new unit ties in activities formerly carried on in smaller, separated units. The plant is to be opened with a reception and is to be available for public inspection for several days.

Sales for the first half of the current fiscal year to Sept. 30, 1941, totalled $5,097,256 against $3,857,328 for the corresponding period last year. Operating profit of $576,722 was up from $500,284, and after providing $270,760 for depreciation, against $244,512, the amount available for bond interest and taxes was $306,012 against $255,772 for the six months ended Sept. 30, 1940.

Working capital of $794,171 is an increase from the $767,091 at March 31, 1941. Earnings figures for the six months are as follows:

Income and Surplus Account
Six Months Ended Sept. 30, 1941

	$
Sales	5,097,256
Less: Cost of materials	4,727,988
Gross profit	369,268
Add: Misc. revenue	16,783
Less: Admin. & gen. exp.	75,521
Bond interest	33,750
Debenture int.	43,500
Bond exp. amort.	4,517
Inc. taxes (estimated)	162,700
Net profit	66,063
Less: Preferred divds.	29,000
Common divds.	70,639
Deficit for period	33,576
Times Interest Earned:	
1st mtge. bonds:	
Before depreciation	17.22
After depreciation	9.26
Debentures:	
Before depreciation	12.59
After depreciation	6.36
Earnings per Share:	
Preferred: Earned	$0.456
Paid	0.20
Common: Earned	0.205
Paid	0.40

Commodities

Prices Wander In All Groups

Possibility of U. S. Entering War is Seen as Strengthening Factor

Prices in all groups of the commodity markets have been irregular.

On one hand they were affected by prospects of tighter controls in the United States, following action of this kind in Canada. On the other, the possibility of the United States entering the war made for higher prices.

Of four weekly spot indices, two were higher, one lower and one unchanged. Dow Jones future index was down slightly.

	Latest week	Previous week	Same week last yr.
Cattle	$9.60	$9.35	$8.40
Hogs	14.85	14.85	12.00
Copper, lb.	.12	.12	.12
Cotton, lb.	.1707	.1721	.0977
Sugar, raw, lb.	.0350	.0350	.0288
Wheat, Man. (bu.)	.72⅛	.71⅞	.70⅝
Coffee, lb.	.09⅛	.09⅛	.05⅛
Hides	.15½	.15½	.14½
Weekly Indices			
Canada (D.B.S.)	93.7	93.6	83.5
Do., Wood, Gundy	74.3	74.3	66.7
U. S. Labor	91.2	91.7	78.6
Dow Jones (future)	79.1	80.04	55.14
Fishers	98.3	97.7	83.3
Monthly Indices			
Canada (D.B.S.):			
Retail (Sept.)*	114.7	113.7	106.4
W'sale (Aug.)	91.8	91.1	82.6
U. S. (Aug.)	90.3	88.8	77.4
U. S. (July)	88.8	87.1	77.7
Gt. Brit. (July)	153.2	152.4	139.7

Note:—The base of indices is that 1926 equals 100. *Base 1935-39 equals 100. The British index is Board of Trade converted to 1930 base.

Base of price quotations is as follows: Cattle—Steers, good, over 1,050 lb., top price, Toronto. Copper-electrolytic, New York. No. 7 coffee, Rio. Sugar—96 degrees centrifugal, c/f New York. Wheat—No. 1 Man. North., Ft. W.-Pt. A. basis.

Dufferin Shipbuilding Repays Capital

Dufferin Shipbuilding Co. has been granted supplementary letters patent, dated Oct. 17, 1941, whereby the capital stock is decreased by the cancellation of 9,000 unissued shares and by the cancellation of 2,000 issued shares. The latter stand recorded in the books of the company in the name of Dufferin Paving & Crushed Stone, Ltd., and payment is made to the latter company of $50,000 out of capital.

Dufferin Shipbuilding was recently purchased from Dufferin Paving by the Dominion Government for $975,000.

National Steel Car Corporation Limited

NOTICE OF DIVIDEND

Notice is hereby given that a dividend of fifty cents (50c) per share has been declared payable on January 15th, 1942, to shareholders of record at the close of business, December 31st, 1941.

By order of the Board.

CHAS. W. ADAM,
Secretary.

Anglo-Canadian Telephone Company

CLASS A DIVIDEND NOTICE

NOTICE is hereby given that a dividend of one and one-half per cent (1½%) has been declared on the Class A Stock of the Company, payable December 1, 1941, to Stockholders of record at the close of business on November 15, 1941.

By Order of the Board.

GEOFFREY PURDY,
Secretary.

Montreal,
November 7, 1941.

United Amusement Corporation Limited

Common Dividends Nos. A36 & B30

Notice is hereby given that a dividend of 40c per share has been declared on the outstanding Capital Stock of the Company for the period ended 31st day of October, 1941, payable on the 29th day of November, 1941, to shareholders of record, the 15th day of November, 1941.

By Order of the Board.

W. H. MANNARD,
Secretary-Treasurer.

Week in Wheat

Market Still Awaiting Guidance From Ottawa

Operators Not Sure How Price Control Policy Will Affect Various Grains — Will Allowance Be Made for Storage?

From Our Own Correspondent

WINNIPEG—The market both for wheat and for coarse grains has remained very dull. So far as traders are concerned there has been a tendency to await clarification of the new government policy of price control.

It is generally assumed that definite ceiling prices will be announced for all grains including wheat. It is not easy, however, to be sure just what these will be and to what extent ceilings may be lifted as the season progresses to allow for the accumulation of carrying charges, or premium positions that sometimes develop as between different deliveries or for grain in certain positions.

Feed Grain Mystery

So far as feed grains are concerned, dealers are anxious to have exact information as to the method planned when the government absorbs freight costs on such grains shipped from the head of the lakes. The impression is widespread that somewhat similar treatment will be applied to feed grains shipped to British Columbia. Presumably an equivalent would be established if the government should absorb the difference between export and domestic rates to Vancouver, or if the railways should be induced or compelled to carry domestic grain at the export rate. No one, however, is anxious to incur freight costs in moving feed grains until it is made clear just how subsequent recovery of such costs is to be achieved.

• • •

Deliveries Heavy

Farmers' deliveries of wheat were again heavy last week, at over 11 million bushels. A sufficient period of fine weather has now been experienced to permit finishing of most threshing.

The Peace River area is the only large district in which a considerable quantity of grain remains unthreshed, although there are many points where a certain percentage of grain is still in the fields.

Storage space is available at a large number of country elevators. As a result the Canadian Wheat Board is steadily enlarging the number of points at which delivery quotas for wheat have been raised to 15 bushels per acre as against the standard quota of 12. But many country elevators are still congested, in spite of large daily railroad shipments.

• • •

Buying for Russia

Although a story was published during the past few days of a 150 million bushel sale by the Canadian Wheat Board to Britain, it is not yet certain that such a deal has actually been consummated. It seems clear, however, that some such transaction has been under discussion. Reports are published at Chicago to the effect that 50 million bushels of the quantity in question have been allotted for shipment to Russia.

While British authorities have made it known that some considerable quantities of Canadian wheat formerly bought by them, have been shipped to Russia it has not been made clear why such transactions are carried out with Great Britain as the intermediary, instead of being arranged directly between Canada and Russia. If the former plant is being followed it is presumed that the question of allocating ships for transport of the grain in question is one reason for such procedure.

• • •

Bulk to Wheat Board

The Wheat Board is getting a larger percentage of wheat delivered by farmers than was the case earlier in the season. The differential is still in favor of the open market so far as prices are concerned at points in Manitoba and Saskatchewan. At some Alberta points, where Wheat Board local prices are based on freight rates to Vancouver the differential is actually in favor of the Wheat Board especially on higher grades of wheat.

• • •

Visible Climbing

Visible supply of Canadian wheat has now passed the 500 million bushel level. Granted good weather for making further deliveries at country points it seems likely that the accumulation will climb somewhat higher within the next few weeks unless transatlantic shipments pick up substantially.

As winter freeze-up on the lakes approaches it becomes clear that the number of lake vessels offered for winter storage will be decidedly smaller than usual, mainly because of the withdrawal of a number of vessels from the lakes for salt water service at least during the winter.

Company Reports

Ogilvie Flour Mills

Operating income of Ogilvie Flour Mills for the year ended August 31, 1941, shows considerable expansion over that reported in the previous year. Income from other sources, however, was generally lower, but gross revenue from all sources of $1,652,648 compared with $1,461,739 in 1940. Increased depreciation, higher reserve for taxes, and other changes in prior charges, reduced net profit available on the common stock to $629,067, or $1.05 a share, as against $765,334 or $1.28 a share the year before.

Several changes of importance are noted in the balance sheet. Elevator capacity was increased by 5 million bushels during the year, resulting in an advance of fixed assets from $7.4 millions to nearly $8 millions. Grain and other inventories increased in value from $3 millions to over $4.5 millions, largely on account of purchases for Canadian Wheat Board.

Income and Surplus Account
Years Ended Aug. 31

	1941 $	1940 $
Oper. profit	1,017,971	687,386
Invest. income	329,342	297,028
Sub. dividends	289,000	470,000
Profit on invest.	16,335	7,325
Total income	1,652,648	1,461,739
Less: Depreciation	323,562	171,397
Income taxes	240,000	75,000
Other taxes	159,300	173,826
Legal expenses	3,663	4,010
Exec. remun.	112,888	83,550
Other dir. fees	19,166	18,622
Pension fund	25,000	30,000
Net profit	769,067	905,334
Less: Pfd. dividends	140,000	140,000
Com. dividends	600,000	600,000
Surplus	29,067	165,334
Previous surplus	2,933,135	2,767,801
Less: Tax adjust.	83,572	......
Surplus forward	2,878,630	2,933,135
Working Capital Position	1941 $	1940 $
Current assets	11,120,704	9,750,596
Current liabilities	4,009,722	2,075,976
Working capital	7,110,982	7,494,620

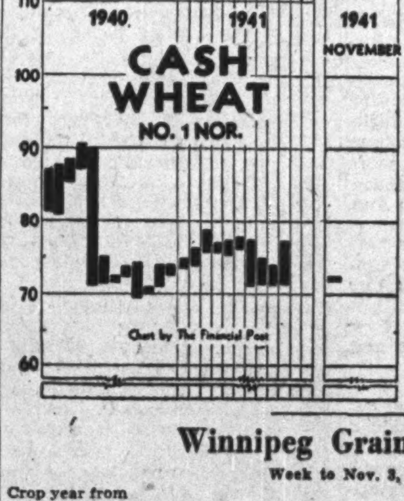
United Grain Growers

Decreased net profit and sharply higher inventories feature the United Grain Growers Ltd. report for the year ended July 31, 1941. Net profit was $248,770, or $1.94 a share on the common, as compared with a net of $374,241, or $2.93 a share the previous fiscal year. Operating profit is shown some $107,000 lower at $1,142,458 after writing off $322,385 on temporary grain storage buildings and charging $200,000 for patronage dividend; other charges being only moderately changed. During the year a 5% dividend was paid to shareholders requiring $159,442. Bond interest requirements were covered 7.95 times before depression and 4.43 times after against 9.09 times and 5.59 times respectively in the 1940 year.

Consol. Income and Surplus Account
Years Ended July 31

	1941 $	1940 $
Operating profit	1,142,458	1,249,161
Less: Directors' fees	9,661	8,507
Legal & exec. fees	41,285	37,833
Annual meeting exp.	15,346	16,898
Net earnings	1,076,166	1,185,923
Less: Depreciation	477,019	456,185
Bond interest	135,377	130,497
Tax provision	215,000	225,000
Net profit	248,770	374,241
Less: Divds. paid	159,442	159,409
Surplus for period	89,328	214,832
Add: Prev. surplus	349,298	306,051
Less: Dom. inc. tax pd.	2,574	......
Bond disc. & exp. w/o	54,182	169,011
Bal. carried forward	384,444	349,298
Earned per share	$1.94	$2.93
Paid	1.25	1.25
Working Capital	$	$
Current assets	12,420,112	4,236,302
Current liabilities	10,616,940	3,093,362
Working capital	1,804,172	1,142,940

Wheat Prices



Cash Quotations

	For Week Nov. 3 High	For Week Nov. 3 Low	Prev. Week High	Prev. Week Low
Wheat:				
1 Hard	.72½	.72⅛	.72⅞	.71⅛
1 Nor.	.72½	.72⅛	.72⅞	.71⅛
2 Nor.	.69½	.69¼	.69⅞	.67⅞
3 Nor.	.67⅛	.66⅞	.67⅝	.66¾
4 Nor.	.65⅝	.65	.66⅜	.65¾
5 Wheat	.63⅝	.63¼	.65⅜	.63¾
6 Wheat	.62⅝	.62¼	.64⅜	.62¾
Feed	.58⅛	.57¾	.56⅞	.57¾
Oats:				
2 C. W.	.48⅛	.45⅛	.46½	.45⅛
3 C. W.	.45¼	.41⅞	.42⅝	.41⅜
Barley:				
1 Feed	.53⅝	.50⅛	.52⅝	.49¾
2 Feed	.50⅝	.48⅛	.50⅛	.47⅞
Flax:				
1 C. W.	1.49¼	1.42¾	1.50¼	1.42½
2 C. W.	1.45¼	1.38¾	1.46½	1.38½
Rye:				
2 C. W.	.54⅛	.53⅝	.53⅞	.52¼

Winnipeg Grain Futures

Week to Nov. 3, 1941

Crop year from Aug. 1, 1941 High	Low		Open Oct. 28	High for week	Low for week	Close Nov. 3	Close year ago
		Wheat					
.77⅝	.71¾	Oct.	.72¼	.73⅛	.72¼	.....	.....
.79	.72¾	Dec.	.72¾	.73¾	.72¾	.72¾	.71⅝
.82¾	.76⅜	May	.76⅝	.77⅝	.76⅝	.76⅝	.75⅞
.78¼	.78	July	.....	.78¼	.78	.78	.77½
		Oats					
.50⅝	.37¾	Oct.	.44½	.46⅝	.44⅝	.....	.....
.48½	.35½	Dec.	.44½	.46	.44⅝	.44⅝	.30⅝
.47⅞	.38⅛	May	.44⅝	.46⅜	.44⅝	.45	.30¼
		Barley					
.62¾	.47⅛	Oct.	.54	.56⅛	.53½	.....	.....
.61⅜	.46¼	Dec.	.53½	.56⅛	.53	.54⅞	.41¾
.61¼	.49⅜	May	.55⅛	.57⅛	.54⅜	.56	.41¼
.56¼	.55⅛	July	.....	.56⅜	.55⅛	.55¾	.40
		Flax					
1.64	1.40¼	Oct.	1.43	1.47¼	1.42½	.....	.....
1.63	1.40½	Dec.	1.43½	1.50¾	1.42½	1.50¼	1.20¾
1.64½	1.40¼	May	1.47	1.53¼	1.45	1.52½	1.24
1.52	1.51⅞	July	....	1.52	1.51⅞	1.51⅞	.....
		Rye					
.65⅝	.51¼	Oct.	.53½	.55⅛	.52⅞	.....	.....
.66	.50¾	Dec.	.54⅛	.56	.53⅜	.55	.45
.67⅝	.51¾	May	.57¼	.58⅜	.56⅜	.56	.48¾

McCABE BROS. GRAIN CO. LTD.
WINNIPEG, MAN.
Grain Commission Merchants — Shippers and Exporters — All Grains-Sacked Feeds
Country and Terminal Elevator Operators
Grain Merchandising
MANITOBA - SASKATCHEWAN - ALBERTA
Offices: DULUTH - MINNEAPOLIS

FEDERAL GRAIN LIMITED
OPERATING TERMINAL ELEVATORS — FORT WILLIAM - PORT ARTHUR - VANCOUVER
423 COUNTRY ELEVATORS THROUGHOUT THE WEST
101 COAL SHEDS
Our Service and Facilities Guarantee Satisfaction

GRAIN MERCHANTS
RECEIVERS · SHIPPERS · EXPORTERS
Owning and Operating Terminal, Transfer and Country Elevators
Capacity 12,500,000 Bushels
MEMBERS
Winnipeg Grain Exchange
Chicago Board of Trade
New York Produce Exchange
and other Exchanges
Head Office, WINNIPEG - Private wires connecting offices across Canada

Port Collections At New High

From Our Own Correspondent

MONTREAL.—Customs and excise collection at the Port of Montreal exceeded all previous Canadian records in October. Aggregate for the month was $21.6 millions, exceeding the previous month's record by $1.8 million. It was $6.4 millions greater than collections from these sources in Oct., 1940.

In the 10-month period, collections totalled $164.9 millions, compared with $116.8 millions in the corresponding period of 1940 and $84.1 millions in the first 10 months of 1939.

... before the horse is stolen!

THERE is obvious futility in "locking the stable door" too late. By this token, the Boiler Inspection Company devotes a large share of its premium dollar toward coping with power-plant disasters *before* they can happen.

Thus, through far-sighted precautions, this company saves industrial managements untold losses each year—not only in equipment and property damages but in interrupted production schedules. Its engineering staff is engaged solely in the study of causes - and - prevention of power-plant accidents and in directing a Canada - wide force of 41 highly trained field inspectors who devote all their time to this one task.

So it is with no half-way measures that the Boiler Inspection Company guards these interests of its policyholders. This Company *specializes* — has no divided interests, no multiplicity of lines. The service it renders is an "all out" service based on 65 years of experience with power-plant safety problems. "Place your power-plant insurance with an organization of power engineers," is the advice of agents and brokers who know the high standard of Boiler Inspection efficiency and stability.

The Boiler Inspection and Insurance Co. of Canada
806 THE BANK OF NOVA SCOTIA BLDG. MONTREAL — 908 FEDERAL BLDG. TORONTO — 203 CURRY BLDG. WINNIPEG

Week in Mining

Kirkland Strike Decision May Come This Week

Union Approaches Ottawa and Secures Approval For Strike Vote to Be Held By Nov. 8 — Conciliation Officers Suggest Conference

The impasse in the Kirkland Lake labor dispute appeared to be moving rapidly toward a crisis at mid-week. With approval of a strike vote granted the union by Ottawa on Monday, conciliation officers in Kirkland Lake have five days in which to hold a strike vote or until Saturday, Nov. 8.

Two conciliation officers of the Dominion Department of Labor, F. E. Harrison and M. J. McCullough, are in Kirkland Lake and if they are unsuccessful in arranging a conference between the 11 mines and the C.I.O. affiliate, they will be charged with carrying out details of the strike vote. As the mines have reiterated their stand of no C.I.O. recognition, the possibility of arranging such a conference appears small.

Significantly, the proposed conference is with 11 mines and not 12, the previous number involved. Brock Gold Mines has been forced to close down on the grounds that labor trouble in Kirkland Lake makes the raising of adequate development funds impossible.

Mine operators visited Ottawa this week but their visit had nothing to do with any conciliation board negotiations. The mine managements merely wanted to find out who were to vote and what machinery in connection with the strike vote mines were expected to set up. Indications pointed to Saturday as the strike vote day.

The Stadacona Plan

Announcement that both noteholders' and shareholders' committees are sponsoring the plan for reorganization of Stadacona Rouyn Mines as outlined elsewhere seems to assure success for this plan to take the company out of liquidation. For some time it had been feared that there might be prolonged litigation over the respective rights of shareholders and noteholders. If the new plan is approved, this possibility will be eliminated.

Three advantages are held out for the proposed reorganization. First it would return management to investors with creditors' claims discharged in full. Secondly, the high administration costs under liquidation-management would be eliminated. Thirdly, if the notes are not contested further, costly and lengthy litigation can be avoided.

* * *

Thomson Chairman

Newly-elected chairman of the Montreal branch of the Canadian Institute of Mining and Metallurgy is M. A. Thomson of Nesbitt, Thomson & Co. Mr. Thomson is widely known for his part in financing Quebec mines including the majority of Malartic producers. He succeeds R. E. Stavert, a vice-president of Consolidated Mining and Smelting Co.

Other elections of the Montreal branch were: G. E. Rainville, vice-chairman; J. C. Lowrey, secretary-treasurer; and C. J. Jephcott, assistant secretary-treasurer. Executive committee comprises Professor O. N. Brown, J. A. Lindsay, N. A. Timmins Jr., and E. A. Creery.

* * *

New Metals to Fore

While the mining industry generally has suffered from the war, the search for war minerals and metals not previously produced in Canada has been stimulated considerably.

Reports this week tell of a discovery of hematite iron ore nine miles from North Bay. Marginal deposits of alumina-bearing rock in the Parry Sound and Peterborough district have also been coming in for new investigation. Rumor also has it that a commercial alumina deposit has been located in northern Ontario recently but the principals are not willing to make a statement as yet.

With North America dependent on South America for supplies of bauxite—the ore of aluminum—development of even marginal aluminum deposits in Canada would be of great importance strategically. Deposits in the Parry Sound district run 31.64% aluminum.

* * *

Looking For Copper

Shortage of copper in the United States is stated to be becoming so extreme that even plants working on war orders are finding difficulty in securing adequate supplies.

Copper is now being curtailed in non-war uses and the possibility of substitutes is also being investigated. Dow Chemical Co. has developed a flexible transparent tubing of its new plastic Saran which it is said can be used to replace copper in some applications.

* * *

Upper Canada Situation

Payment of a dividend of 3 cents a share by Upper Canada Mines apparently came as a surprise to the mining market with the company's shares selling off sharply to $1.20 a share. The previous quarterly dividend had been 4 cents a share.

Several possible explanations have been offered for the reduced distribution. The company is now participating in the financing of Queenston Mines and it may be desired to conserve funds for this enterprise. Expansion of the company's mill to 250 tons a day or slightly better has meant some drain on financial resources and it may have been considered best to go easy on dividend payments for the time being.

With the Kirkland Lake labor situation becoming more grave, directors may have considered it desirable to curtail dividend payments.

* * *

Water Troubles

Water affects mining operations in devious ways. Usually it is through flows in underground workings which pumping equipment has difficulty in handling. Usually it is a comparatively simple matter to seal water flows off through "grouting" with cement. Recently, however, two water problems of a different character cropped up, one where a water shortage caused difficulties and another where too much water disturbed calculations.

The water shortage was in the Yukon where the driest season in 25 years has been experienced. The exceptional dryness necessitated temporary closing down of one dredge operating on placer gravels.

Steep Rock Iron Mines was the company surprised with too much water. Apparently rainfall boosted the level of Steep Rock Lake more than usual and engineers are now studying the possible effect this may have on company's plans.

Hudson Bay Net Shows Increase

Estimated net profit of $4,933,031 for Hudson Bay Mining and Smelting Co. in the nine months ended Sept. 30, 1941, was equal to $1.79 a share compared with earnings equal to $1.49 a share in the first nine months of 1940.

As earnings for the first six months of this year were equal to $1.19 a share, earnings in the third quarter were equal to 60 cents a share. If the same amount is earned in the fourth quarter, full year earnings would be $2.39 a share. However, a record tonnage of ore is expected to be milled during the last quarter of the year and it is possible that full year earnings will approach close to $2.50 a share.

Holders of Stadacona Get Plan

Shareholders' and Noteholders' Committees Agree on Forming New Company

A plan of reorganization with approval of both Shareholders' and Noteholders' Committees is now being advanced for Stadacona Rouyn Mines. A petition for holding a meeting of shareholders to pass on the plan has been submitted to the Superior Court under the Winding-Up Act but judgment has been suspended until the court hearing for proof of noteholders' claims scheduled for Nov. 12.

Under the plan proposed, a total of 1.5 million shares in a new 3.5 million share company — Canrose Gold Mines—would go to present shareholders on the basis of one new share for two old. Noteholders would receive approximately 1 million shares, it is stated, or the equivalent of 2/3 or a new share for $1 face value of notes. Trade creditors would be paid in full out of liquidator's cash on hand.

This would leave the new company free of all obligations with a million shares remaining in the treasury, it is stated.

Present Situation Discussed

While varying statements have been made as to the amount of shares and notes outstanding, the information of the Noteholders' Committee is to the effect that approximately $1.5 million of notes were issued against an authorized issue of $200,000 and that all the company's authorized shares have been issued although 400,000 shares should have been retained in the treasury to allow for conversion of $200,000 of notes on the basis of two shares of stock for $1 face value of notes.

The Noteholders' Committee was organized in March of this year and is stated to represent approximately 50% of the issued notes. Claims are stated to have been filed in court for $1,477,675 of notes by 438 noteholders as at April 1, 1941.

The Stadacona Rouyn Shareholders' Committee was formed in July of this year, being elected at a meeting at which over 600,000 shares were represented.

In connection with the court sitting on validity of notes on Nov. 12, the letter forwarded to the company's noteholders stresses importance of representation at this meeting to prove claims as follows:

"Noteholders who intend to substantiate their claims should now make arrangements to be represented by their own counsel. Unless you arrange to appear either personally or by counsel, default will be registered against you and your claim will be disallowed."

Ottawa Bares Base Metal Deals For Great Expansion of Output

Details of how Ottawa authorities have arranged for Canadian base metal producers to spend $33 millions on expansion within the next two years were revealed in Ottawa this week.

Most of the expenditure—$32 millions—will be undertaken by International Nickel Co. with Falconbridge Nickel spending $901,920 and Normetal Mining Corp., $165,000.

Expect Foreign Exchange

In each case, special tax consideration is being given under the War Exchange Conservation Act which empowers the Dominion government to assist industries which contribute largely to the export trade. Exports from increased production are expected to furnish a large amount of U. S. exchange for additional war purchases from the United States.

The International Nickel agreement which is by far the most extensive of the three is expected to result in an increase in production of 50 million pounds of nickel annually over the 1940 total. This will be accomplished by expansion of mines, mills and smelter capacity. Of the $32 millions to be spent by International Nickel, $29 millions will be spent before the end of 1943 with $3 millions additional to be spent by the end of 1945. It is expected the company will bring in to Canada an extra $15 millions of foreign exchange by the end of 1945 through the expansion.

Depreciation Allowance $25 Millions

The government has decided to allow International Nickel a special depreciation allowance of $25 millions to be credited during the five-year period. It includes $5 millions for 1941 to take care of capital expenditures already made with fixed sums to be allowed per annum up to the maximum.

It is explained in the text of the agreement that this special depreciation is considered necessary to enable the company to amortize cost of the expansion programme within a reasonable time, as after the war there is expected to be a decline in demand for nickel.

The special depreciation allowances come under both the Income War Tax Act and the Excess Profits Tax Act.

Falconbridge Ups Copper Flow

The agreement with Falconbridge Nickel Mines means an increase in copper output from 1.5 million to 3 million pounds over the 1940 total, the increased rate to be effective starting 1942. The government estimates Falconbridge expenditure will mean a return of $885,000 in foreign exchange. In the case of Falconbridge, the special depreciation allowance takes the form of a credit of one cent a pound for all metal sold.

The capital expenditure of Normetal Mining Corp. of $165,000 is to be allowed for by a tax credit at the rate of $82,500 a year. Capacity of the mine is to be increased from 630 to 780 tons daily. The company produces copper, zinc, gold and silver.

Production of increased supplies of metal will help implement the agreement with the U. S. under which Canada was to make increased supplies of raw materials available for the United States armament programme.

Mill 525 Tons At San Antonio

Mill capacity has now been increased to 525 tons daily at San Antonio Gold Mines, shareholders are informed. From Jan. 1 to Oct. 7, 1941, the mill had averaged 333 tons of ore daily compared with a full year average of 334 tons for 1940.

Based on figures of operating costs, it appears operating profits have shown little change in 1941. Taking average cost of $5.26 a ton before depreciation and income tax from Jan. 1 to Oct. 7, 1941, and average recovery of $11.42 a ton operating profits were around $565,180 up to Oct. 7 of this year. This represents an annual operating profit rate of $736,752 a year compared with the operating profit of $740,099 before depreciation and income taxes in 1940.

Output to Boost Profit

Net profit in 1940 was $481,136 equal to 20 cents a share. Taxes have been somewhat higher in 1941 but offsetting this, the company will now have the increased production and profits from operating its new milling unit.

As at Oct. 7, 1941, current assets totalled $817,771 including $233,973 in cash and $170,370 in bonds, etc. Current liabilities were $200,299, leaving working capital of $617,471 against $566,809 at the end of 1940. The increase in working capital was achieved in spite of expenditure of $341,940 on buildings and plant in connection with the step-up in mill capacity.

Will Larder See Gap Filled?

Big Companies Join to Sponsor Consolidation of Properties

An ambitious new mine-making programme is likely to get under way in the middle of the Larder Lake area shortly under the aegis of some of Canada's largest mining companies, The Financial Post is informed.

The new programme is dependent on shareholders' approval for a number of companies, now inactive, merging properties in a new company, Amalgamated Larder Mines, for which a 5 million share charter has been taken out.

Companies expected to participate in financing the new project are Anglo-Huronian, Ventures, Noranda Mines and Consolidated Smelters.

Properties it is planned to take over include the entire holdings of Cheminis and Fernland Gold Mines and of Sarcee Mines, a Proprietary subsidiary. One claim will also be taken over from Omega Gold Mines, three claims will be contributed by Proprietary Mines and other individual claim holdings will also be taken over.

Others Not Involved

It is understood that an offer was made for the taking over of Barber-Larder Gold Mines but that this was turned down and no arrangement has yet been completed with that company. Rumors were current early this week of another consolidation of properties to the east involving Sheldon Larder and Arjon Gold Mines but The Financial Post is informed that no negotiations are being carried on at present. Possibly a deal may be made on this ground in the future, it is stated.

If the deal for Amalgamated Kirkland secures approval of the individual companies involved, the new company will be prepared to start work almost immediately.

It is thought likely that work will include further exploration from the Cheminis shaft.

Between Omega and Kerr

The ground which Amalgamated Larder proposes to take over lies in the area between Omega Gold Mines and Kerr-Addison and Chesterville. As the break on which all three mines are located is believed to be the same one, the ground to be taken over is potentially important. Ore was disclosed in previous work but none of the individual properties reached production. Sheldon Larder and several other properties also lie in the gap between Omega and Kerr-Addison and no doubt this was a factor leading to the story of a further consolidation near Kerr-Addison.

A considerable tonnage of ore has already been disclosed in underground work on the Cheminis and Fernland properties and it is anticipated that further development of these deposits underground and the testing of diamond drilling intersections not yet explored underground will be undertaken in a new programme. The Cheminis shaft is the most centrally located.

Consolidated Smelters has a large interest in both Cheminis and Fernland and this is expected to facilitate securing approval of these companies to the new plan.

$1.9 Million of Ore at Cheminis

On the Cheminis property the shaft is down 550 ft. with levels at 275, 400 and 525 ft. depth. Underground work has outlined a total of 321,607 tons of ore in three zones with a total value of $1,932,025. Practically all of the company's 3 million shares authorized capital is outstanding.

On the Fernland property, which adjoins Cheminis, a shaft is down to the same depth with levels at 283, 400 and 525 ft. depth. The main ore shoot at the 283-ft. level is 215 ft. long averaging $6 over an average width of 12.25 ft.

Mining Concentrates

Cline Lake Gold Mines had an operating profit of $4,063 in the nine months ended Sept. 30, 1941, the annual report of O'Brien Gold Mines shows.

* * *

God's Lake Gold Mines showed a reduction in quarterly operating profit to $29,153 in the three months ended Sept. 30, 1941, from $52,717 the preceding quarter. Milling of a slightly lower tonnage of poorer grade ore caused the drop as operating profits were actually lower. Output for the September quarter was $181,387 from 17,736 tons of ore, an average of $10.23 per ton. In the preceding three months $219,003 had been recovered from 18,516 tons of ore, an average of $12.05 per ton.

* * *

Island Mountain Mines Co. has declared a dividend of 10 cents a share payable Dec. 15, 1941, to shareholders of record Nov. 28. On May 15, 1941, the company paid eight cents a share.

* * *

Kirkland Lake Gold Mining Co. showed higher production in the first nine months of 1941 but earnings were slightly lower. Net earnings before taxes and depreciation totalled $702,138 for the nine months ended Sept. 30, 1941, compared with $775,367 for the same period of 1940. After allowing for depreciation and taxes, earnings were equal to 8.5 cents a share against 9.45 cents a share. Production for the first nine months of 1941 was $1,527,118 from 113,066 tons of ore for an average recovery of $13.50 a ton compared with $1,502,732 from 100,531 tons of ore and average recovery of $14.94 a ton in the same period of 1940.

Matachewan Consolidated operating earnings after taxes but before depreciation were $25,901 in the three months ended Sept. 30, 1941, compared with $61,768 in the immediately preceding three months.

* * *

Sand River Gold Mining Co. is now having its shaft sunk for a further two levels above the diabase sill which drilling indicates as starting at 1,565 ft. depth and continuing below 2,125 ft. for a vertical thickness of 560 ft. The present bottom level at 1,150 ft. showed 50% more ore than any of the levels above. Operating profit from Jan. 1 to Aug. 31, 1941, totalled $58,913. Finances for the present programme were arranged recently with Northern Empire Mines Co. Northern Empire may elect to form a new million-share company in which Sand River shareholders will receive one new share for 10 old if it desires.

* * *

Sylvanite Gold Mines has declared its regular quarterly dividend of seven cents a share payable Dec. 27, 1941, to shareholders of record Nov. 8. This make a total distribution of 28 cents a share for this year compared with 30 cents a share last year.

* * *

United Gold Equities of Canada income from dividends, interest and foreign exchange was $37,222 in the year ended June 30, 1941, compared with $36,598 in the preceding year. Loss on securities was $4,855. After paying dividends at 12 cents per annum, surplus was increased from $1,900 to $4,364. As at June 30, 1941, market value of securities of $377,687 showed a depreciation from book value of $96,258 compared with $168,126 at the end of the preceding year. A further improvement of $20,648 had been effected by Aug. 31. At June 30, 1941, 94.10% of net assets were in dividend-paying securities, mostly gold mining stocks.

* * *

Waite Amulet Mines has declared a dividend of 20 cents a share payable Dec. 10, 1941, to shareholders of record Nov. 15. Last previous dividend was one of 10 cents a share paid on Aug. 18, 1941.

Lift Siscoe Mill In November

Practically the entire expansion programme at Siscoe Gold Mines has been completed with the exception of a few minor items, the company announces. With completion of the loading pocket at the 6th level around Nov. 8, it is expected the milling rate will be lifted from 850 to 1,000 tons daily.

Production in the first nine months of 1941 showed little change from the corresponding period of 1940 but higher operating charges and taxes reduced the net profit to $293,695 or 6.3 cents a share the first nine months of 1941 against 8.3 cents a share the corresponding 1940 period.

Output for the first nine months of 1941 was $1,308,762 from 178,890 tons of ore, an average of $7.13 a ton. This compared with $1,374,449 from 174,317 tons of ore and average recovery of $7.66 in 1940.

Broken ore reserves have been increased by 38,750 tons. Cost of this work was absorbed in operating costs for the period.

A dividend of 2 cents a share has been declared payable Dec. 15, 1941, to shareholders of record Nov. 15. Ex-dividend date Toronto Stock Exchange is Nov. 13.

Week in Oils

North End Booms

From Our Own Correspondent

CALGARY.—With one new well after another being announced, with asked and bid prices for likely looking leases skyrocketing, the north extension area of Turner Valley appears to be entering a "boom" rivalling in interest the South Turner Valley boom of 1936-38 and the central west flank boom that got under way in 1939.

A wave of new prospect tests is rolling northward, blanketing the extension area as far as 15 miles north and west of Turner Valley's current producing limits. Heavy duty rotary rigs, some of which had been idle for months, have again come into demand, and contractors with rigs are rapidly getting them into action in the new area. Leases which a few months ago could have been bought for little more than a song are being traded at $100, $200, $300 per acre or more.

Within a few weeks 15 wells or more will be making hole along a 14-mile stretch. Many are already spudded or are rushing to spud in the area newly proven up or semi-proven by the rich oil strikes at the Miracle Royalties, Ace Royalties and Major Oil Investments 2 and 3 wells. Half a dozen more have already been staked and are rushing to spud-in, in the unproven but increasingly promising area stretching far north and west of the producing area, and to within 10 miles of Calgary.

* * *

Seven Groups Interested

Leading the way in the wave of North Extension development are: Major Oil Investments and the Clifton C. Cross interests, backers of the successful Major Nos. 2 and 3 tests; The Commonwealth Petroleums group, who brought in the successful Ace Royalties test; the A. H. Mayland interests, who brought in Miracle Royalties 1; the Home Oil Co. whose Home Millarville No. 2 well opened up the north extension late in 1939; the Imperial Oil group; Francis P. Byrne and associates, pioneers in south and central flank development; and a new group, Northend Petroleums.

* * *

As this was written, the new development programme stacked up as follows:

On the Sarcee Indian reserve, preparations are being made to spud in Major Oil Investments No. 11, backed by the Francis P. Byrne and Major Oil Investments groups.

* * *

New Well For Ace

To the south, location has been staked for Ace Royalties No. 2, and Commonwealth Drilling Co. is now moving in the heavy duty rig last used at Ace No. 1. The new venture is being financed by the Commonwealth group of companies.

A mile south and east of Ace No. 2, Major Oil Investments has staked its No. 10 location, and has let drilling contract to Drilling Contractors, contract price being $180,000. The contractor is now moving in heavy duty rotary equipment and spudding is scheduled in the near future.

At the top of township 21, around five miles north and west of current producing limits, Major Oil Investments has staked its No. 5 location and has just let drilling contract to Drilling Contractors, contract price also being $180,000.

* * *

Major and Home

Just over a mile southeast of Major No. 5, Home Oil Co. has staked its Home-Millarville No. 12 location. Drilling contract, it is understood, has been let to Drilling Contractors. Early this week, negotiations were reported in progress by which the No. 12 test might be drilled in conjunction with the Major Oil Investments group.

* * *

Further to the southeast, and within 1½ miles of the Major No. 3 producer, Atlas-British Dominion No. 2 test is now drilling below 6,200 ft. deep in the Upper Blairmore formation, and looking for its Madison lime objective within a few weeks.

* * *

Two "Northend" Wells

Half to three-quarters of a mile north and east of the current producing limits, the new Northend Petroleums has staked Northend No. 1, and Northend No. 2, and is expected to announce a third location shortly.

Drilling contract for the first two wells has been let to Newell & Chandler Ltd., the contract price including provision of production equipment, 2,000 bbls. tankage per well and application of 2,500 gallons of acid per well, in addition to actual drilling. The contract cost per well, to 7,500 ft., is $196,000. Derrick has been completed at No. 1 and cellar is under way at No. 2, with rotary equipment being moved in to both sites.

Offsetting the Major No. 3 producer to the east, the Imperial Oil group has staked Foothills No. 12, providing the most northerly venture yet undertaken by Imperial interests in Turner Valley. Drilling is slated to get under way shortly.

Offsetting Major No. 3 to the south, the Home Oil Co. has staked Home Millarville No. 11.

* * *

Major's Big Programme

With its drilling programme greatly expanded in the area proven or semi-proven by recent extension, Major Oil Investments now has its No. 4 well drilling below 5,861 ft., quarter of a mile north of Major No. 3; its Major No. 6 well quarter of a mile west of Major No. 3 drilling below 1,520 ft.; its Major No. 9 half a mile east of Miracle No. 1 drilling below 954 ft.; and is rigging up heavy duty rotary equipment at its Major No. 7 location, three eighths of a mile northwest of Major No. 3, and at its Major No. 8 site, located about midway between producers Major Nos. 2 and 3. With the exception of Major No. 9, which is being drilled by National Petroleums, the group of Major's offset wells are being drilled under contract by the Atlas Drilling Co.

The Imperial Oil group already has two wells drilling, offsetting the new north extension producers. Foothills No. 10, offsetting Miracle No. 1 to the east, is now below 4,318 ft.; while Foothills No. 11, offsetting Major No. 2 to the east, is below 2,118 ft,

The A. H. Mayland interests, who drilled the successful Miracle No 1 test, are now concentrating on Miracle Royalties No. 2, offsetting the No. 1 test to the north. Drilling is currently proceeding below 2,850 ft.

Inquiries invited regarding Canadian Industrial and Mining Investments. We specialize in the Dividend Paying Gold Mines and in new gold mining properties under present active and encouraging development.

A. E. OSLER & COMPANY

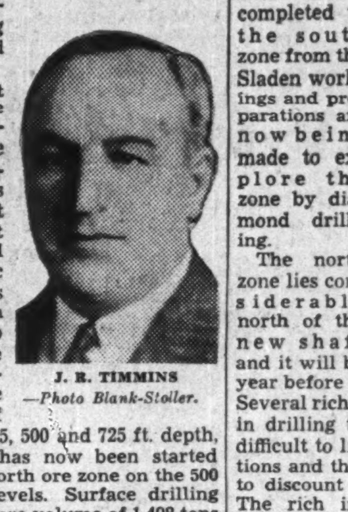
Established 1886 Members The Toronto Stock Exchange

Osler Bldg., 11 Jordan St. Phone ADelaide 2431

Murdoch, Timmins Join National Malartic Board

Reflecting the entry of Noranda Mines and Hollinger Consolidated into the financing of National Malartic Gold Mines a short while ago, it is announced that J. Y. Murdoch, Noranda president, and Jules R. Timmins, president of Hollinger, have been elected to the National Malartic board of directors.

Mr. Murdoch and Mr. Timmins will represent their respective companies under whose direction National Malartic is being financed and managed.

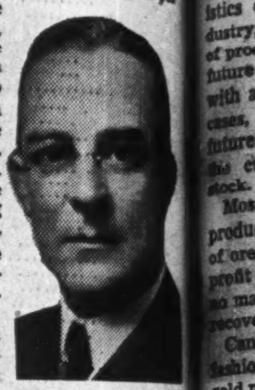


J. R. TIMMINS —Photo Blank-Stoller.

Coincident with the announcement of the two new directors, it is stated that the shaft at the National Malartic property has now been completed to its objective of 750 ft. Following the cutting of stations at 335, 500 and 725 ft. depth, crosscutting has now been started toward the north ore zone on the 500 and 700-ft. levels. Surface drilling indicated an ore volume of 1,498 tons of ore per vertical foot for this zone averaging $7.57 per ton.

So far underground work has been confined to the southern ore structures, opened up from the 335 and 725-ft. levels of the Sladen workings which adjoin to the south.

Connections will also be made with the south zone workings from the new shaft at each horizon. On the 335-ft. level of the south zone, drifting and crosscutting have exposed a total of 1,200 tons of ore per vertical foot grading about $5.75 per ton. On the 725-ft. level, a line drive has been completed to the south zone from the Sladen workings and preparations are now being made to explore the zone by diamond drilling.



J. Y. MURDOCH

The north zone lies considerably north of the new shaft and it will be around the end of the year before crosscuts reach the zone. Several rich intersections were made in drilling there. It was somewhat difficult to link up the rich intersections and there has been a tendency to discount their value in the past. The rich intersections secured at Malartic Gold Fields have shown that Malartic is not a low-grade ore area alone and drilling intersections secured in the northern part of the National Malartic property are now viewed with increased importance.

Quicksilver Interest Quickens As Smelter's Output Boosted

From Our Own Correspondent

VANCOUVER. — Consolidated Mining & Smelting Co.'s mercury mill at Pinchi Lake, near Fort St. James, B.C., is now on an 800-ton basis with a new 500-ton unit formally opened this month.

Detailed figures on production from Pinchi Lake operations are withheld, but it is known that Smelters' "lucky hit" is already responsible for a large proportion of the British Empire's requirements previously supplied from Spain, Italy and other countries.

Bralorne Interested

Bralorne Mines has sent an engineer into the Tatla Lake country not far from Pinchi Lake to report on claims resulting from a mercury discovery made at Silver Creek by George Snell of Vanderhoof. If Bralorne considers the property favorably it may be acquired under option. The area is said to have been extensively staked already.

Mining men are also showing interest in mercury deposits on the west coast of Vancouver Island on Barkley Sound.

The country is extremely rough and prospecting has been retarded on that account, but files of old newspapers show that as long ago as in 1880 quicksilver mines were being operated there in a small way. A gang sank a shaft and tunneled into the side of a hill on the sound.

Probably the best ore, easily exposed, was removed long ago, but in some places this ore bed is reported to be 40 ft. across with seams of cinnabar crossing the body. The narrower seams are much richer in mercury than the wider ones, but development was primitive and superficial.

STAN-STEEL

presents

A FEW

STEEL TUBE PRODUCTS

Typical of the Stan-Steel line of factory equipment, made from steel tubing with all welded construction, these items present the user with a means of cutting down useless weight and gaining handling efficiency.

These tubular products stand up under the severest usage and punishment. You can have your materials transported with amazing ease by means of trucks with rubber-tired roller bearing wheels. Your plant can be equipped with shop furniture engineered for neatness and efficiency. There are many items in the Stan-Steel line designed for special jobs. If your operations require special study, write us. In any case, get the latest Stan Steel Factory Equipment Catalogue now.

STAN-STEEL TUBE

ELECTRICALLY WELDED

STANDARD TUBE COMPANY LIMITED · Woodstock, Ontario

How Our Golds 'Stack Up' on Rand Basis

Big New Mines Help Make Comparison More Favorable Than a Few Years Ago

By GORDON M. GRANT
Staff Writer, The Financial Post

Down on South Africa's Rand where ore bodies run long, wide and deep, it is possible to estimate fairly accurately a mine's future productive life—and the ultimate profit per share to be won.

In Canada, where most gold deposits are of the vein type, it is usually not economic to block out large tonnages of ore in advance. Consequently for years, the Rand yardstick of value was of little use in estimating worth of Canadian mining shares.

Despite these general characteristics of Canada's gold mining industry, however, a growing number of producers can now estimate their future profit á la Rand and come up with an interesting result. In some cases, it is even possible to find a future indicated profit better than the current market price of the stock.

Most of our Canadian Rand-type producers treat a low average grade of ore but not all. Their margin of profit is usually quite satisfactory no matter what the per ton average recovery secured.

Canadians are inclined to be old-fashioned about their investments in gold mines and sentiment sometimes still runs away with better judgment. There is still the investor that likes a mine that treats an exceptionally high grade of ore for that reason alone. There is still the investor who will buy shares in one of the old producers even though the yield on its stock is trying to say the mine is getting close to worked out.

But standards of gold mining investment are changing. Mines like Kerr-Addison, Malartic Gold Fields and MacLeod-Cockshutt are helping this transition. The attractiveness of great tonnages of new ore is transferring investors' attention from current earnings to profit-in-ore, discounted to present worth.

Canada has perhaps a score of producers that can today show an indicated profit-in-ore either approaching or exceeding the current market valuation placed on the company's shares. Back in 1936 only the rare producer could be found in this category.

Many of our largest producers of recent years can be found within the golden circle. Quite a number of smaller producers, which space does not permit us to cover, also qualify.

Here is how a number of outstanding Canadian mines stand up under a Rand-type of analysis:

Kerr-Addison

Undoubtedly Kerr-Addison Gold Mines owes much of its favor to the tremendous tonnage of ore placed in sight. From indicated profit-in-ore potential a survey shows no other new mine like it in Canada.

On the 1,300-ft. level, the deepest on which extensive exploration has been carried, Kerr-Addison now has 9,000 tons of ore per vertical foot outlined by drifting and drilling. Diamond drilling also shows the downward continuation of the main ore body to at least 2,000 ft. depth with a width of 50 ft. of ore there. It does not require much imagination to visualize the opening up of 6,300,000 tons of ore between the 1,300 and 2,000-ft. horizons alone.

Opening New Levels

At the end of 1940, ore reserves had been estimated at 5,140,491 tons of $7.67 grade down to the 1,450-ft. level or enough for 6½ years' operation at 2,200 tons daily in that section alone. Reserves down to the 1,450-ft. level will probably show a substantial increase this year, too. With the shaft now down 1,900 ft., proceeding on its way for the opening of 10 further levels at 150-ft. levels, a tremendous step-up in ore reserves the next few years is quite possible.

"Profit-in-Ore" Not Current Earnings is the Most Important Thing in Valuing Gold Mining Stocks, Say People Interested in South Africa's Rand — New Big Tonnage Gold Mines Are Leading Many Canadians Toward the Same Type of Reasoning

Getting back to indicated profit-in-ore, it is safe to assume that reserves this year will be at least maintained to the 1,450-ft. horizon. Allowing only 5,000 tons of ore per vertical foot to be opened up in the section between the 1,450 and 2,000-ft. levels (against 9,000 tons per vertical foot for the 1,300-ft. level), there is 10 years' ore in sight, allowing nothing for any extension of ore below the 2,000-ft. horizon.

Earnings of 50 cents a share have been mentioned as close to normal on the present milling basis. With 10 years' ore ahead, indicated profit in ore might be taken as around $5 a share with possibilities wide open for an extension of ore supply and increase in mill capacity.

MacLeod-Cockshutt

While MacLeod-Cockshutt Mines cannot claim a size similar to that of Kerr-Addison as yet, the Little Long Lac producer has a big mine which is similar in many respects to Larder Lake's Kerr-Addison.

MacLeod-Cockshutt is verging on a great increase in its ore reserves, presently standing around 1.2 million tons. Development indicates 4,500 tons of ore per vertical foot. Completion of both shafts to new objectives recently allows depth work to start. Proving the downward continuation of ore on just two more levels could give a 75% increase in reserves.

Based on the ore reserve estimate of 1.2 million tons, reserves are sufficient for nearly six years' requirements at the current 650-ton milling rate. By next summer the milling rate is expected to be advanced to 1,000 tons daily and reserves will then be equal to something over three years' requirements without counting in new ore. With development proceeding as planned, however, it will not be surprising if ore reserves are returned to six years supply at even the higher rate by the end of 1942.

Development Affects Earnings

Earnings the past year reflected the tremendous programme of development carried out and may not have been over 17 cents a share. The greatest part of development is now over, and the way is being cleared for higher profits, as pointed out in The Financial Post last week. Earnings on the new milling basis are expected to run 30 or 35 cents a share per annum. Based on present ore reserves, profit in ore is now only about $1 or $1.10 a share. This figure is susceptible of rapid upward revision with development getting under way on new deep levels.

McIntyre Porcupine

For years, McIntyre Porcupine Mines has had an unusual position as regards ore reserves and working capital. It has been perhaps the only one of the great producing gold mines where break-up value was near or over market value.

Based on the latest figures of ore reserves and working capital, McIntyre Porcupine Mines has a "break-up" value of around $48 a share or very close to the present market price of the company's shares. This big Porcupine producer mines a large quantity of lower grade ore—not included in its ore reserves—in routine mining operations, so the life of the mine is indicated as much longer than its ore reserve figure indicates. McIntyre's ability to maintain ore reserves year after year without going to further depth suggests it is still a young mine despite 30 years of production.

Included in break-up value above is $21 for liquid assets. McIntyre has the strongest treasury position of any Canadian gold mine.

Hollinger Consolidated

Another old Porcupine company comes close to possessing its current market price in working capital, profit in proved and indicated ore. It is Hollinger Consolidated Gold Mines. Indicated profit-in-ore is about $9 a share. Besides this, Hollinger has about 50 cents a share in working capital or a total of about $9.50 a share compared with the current selling price of $11 a share.

Hollinger, like its neighbor McIntyre, mines lower grade ore encountered in its operations. While this lengthens greatly the length of life of the Hollinger mine, it means that the profit in higher grade ore is not realized quite as rapidly as would otherwise be the case. Besides its proved ore, Hollinger must be conceded a great tonnage of ore in its present workings not included in reserves. Development at depth, too, has disclosed values continuing strongly downward. Hollinger is fortunate in the fact that the character of rocks in the Porcupine area tends to make rock bursts less serious than those at the Kirkland Lake area which is "rock burst" country.

Besides development at its own property, Hollinger has met with considerable success in development of new mines. Besides its wholly owned Ross mine, Hollinger has a share in the successful producer, Jerome Gold Mines. It is now participating in financing National Malartic where a large tonnage of ore is indicated.

Preston East Dome

On the basis of 500 tons of ore milled daily, Preston East Dome Mines has enough ore for six years above the 675-ft. level. However, milling rate is expected to be jumped to 1,000 tons by the end of the year or shortly after and reserves to the 675-ft. level will then be three years' milling requirements. Indicated profit in this ore reserve is about $1.50 a share.

Ore reserves are estimated down to the 675-ft. level but shaft and workings are now down to 1,550 ft. First work on deep horizons is stated to indicate perhaps two to three times as much ore as on the upper levels so that break-up value of Preston shares may soon be well in excess of current market price if depth results hold up.

Malartic Gold Fields

The situation at Malartic Gold Fields is unusual to say the least. Drilling indicates that this mine contains one of the largest deposits of gold ore in Canada, but considerable time must elapse before this new ore can be developed and translated into current profits, even though the company is already producing. If ore in the new west zone goes down just to the 350-ft. level in the same quantity as indicated by drilling, there will be 2.1 million tons of better than $10 grade ore in the new western area without taking into account ore in the mine proper at all. Indicated profit in ore shown by the diamond drill and blocked out in the present mine workings works out at about $3.50 a share—well in excess of the present market price of the company's stock.

East Malartic

Another Malartic producer—East Malartic Mines—also has an indicated "profit in ore" about equal to the market value placed on the company's shares.

Profits are running low at present but it is expected that the company will soon be able to mill a grade of ore more in line with the average grade in reserve; profits of around 30 cents a share are not unreasonable with the present milling rate. At last report there was around five years' ore, indicating a profit-in-ore of say $1.50 a share. Since the last ore reserve estimate was released, work has shown the downward continuation of the main ore body at depth on a block of five new levels. This with a new eastern extension of the ore zone suggests that profit-in-ore is now equal or more than the current selling price of the company's shares.

Anglo-Huronian Share Value Up

Based on market quotations on Oct. 15, 1941, break-up value of shares of Anglo-Huronian was equal to $5.11 a share, President André Dorfman informed shareholders at the company's annual meeting late last week. On the same date last year, net liquid assets on the same basis were $5,841,385 or $3.89 a share.

The liquid asset total of $7,666,953 for Oct. 15, 1941, does not take into an account a number of holdings and properties in which Anglo-Huronian is interested. For instance, Anglo-Huronian owns about 74% of the issued stock of Mace Gold Mines which has cash assets of over $100,000. Anglo-Huronian has also spent about $80,000 on the property of Musketeer Mines whose property is expected to reach production shortly.

Another company in which a large interest is held is Vicour Gold Mines which results are expected over the course of the next year.

Kerr-Addison Holding

Anglo-Huronian's interest in Kerr-Addison Gold Mines, direct and indirect, is stated to be substantial and dividends from this source are an important part of the company's income. The indirect holding is through Proprietary Mines. Labor trouble may affect results of Yukon Consolidated Gold Corp. this year but the company feels assured of a steady income from this source for some time to come.

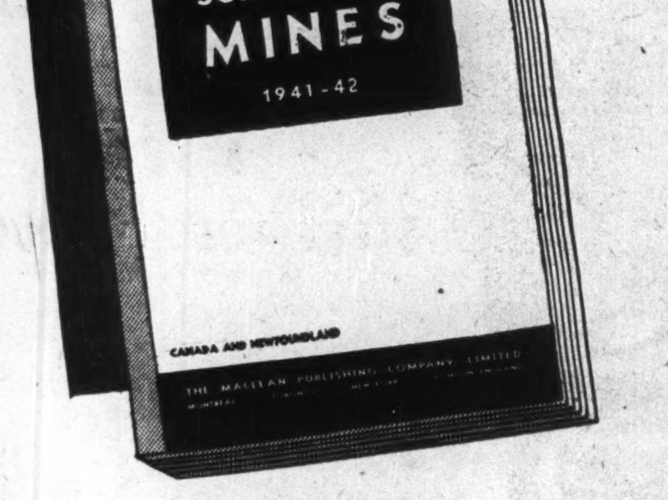
Of the total net liquid assets of $7,666,953 on Oct. 15, 1941, 73.7% or $5,640,706 is invested in Canada and the balance in the United States. Of the total investment, $5,174,814 or 67.5% is in gold stocks, 13.79% is in oils, 8.53% is in bonds, 5.71% is in base metals, 2.69% is in manufacturing and miscellaneous, while 1.19% is in steels.

Income from the company's large portfolio of dividend-paying mining stocks is expected to allow the company to continue its present dividend policy, Mr. Dorfman states.

MINING CHAIRMAN

M. A. Thomson, vice-president of Nesbitt, Thomson & Co., Montreal, has been elected chairman of the Montreal Branch, Canadian Institute of Mining and Metallurgy.

CANADA'S MINES



Every Mine Executive . . Every Mining Investor . . . Every Man Who Sells to Mines Should Have This New 1941-42 Edition.

The 16th annual edition of the most complete analysis available of the mining industry of Canada and Newfoundland will soon be on the press.

On producing companies—a full record of production, costs, earnings, dividends, financial structure and details of directorate and personnel.

Companies under development likewise will be covered in compact, ready-reference style.

MAPS COMPLETELY REVISED

Every mining area and every mining camp of consequence will be illustrated by accurate, exclusive, up-to-the-minute maps.

THIS UP-TO-DATE MINING BOOK WILL HELP YOU SAFEGUARD YOUR INVESTMENTS

It Tells You:

- Where the Mines Are Located
- Who Own Them
- Who Operate Them
- Their Financial Structure
- Development Results
- Record of Production
- Price Range of Stocks
- Dividend Record
- Maps of Areas and Properties
- Facts and Figures About the Canadian Mining Industry

Ready for Delivery November 20th

POSTPAID PER COPY $2.

—THIS—ORDER—FORM— FOR YOUR CONVENIENCE

THE FINANCIAL POST,
481 University Avenue, Toronto, Canada.

Send me, postpaid .... copies of The Financial Post SURVEY OF MINES, 1941-42.

Herewith $ .... in payment.

Name ....

Address ....

407

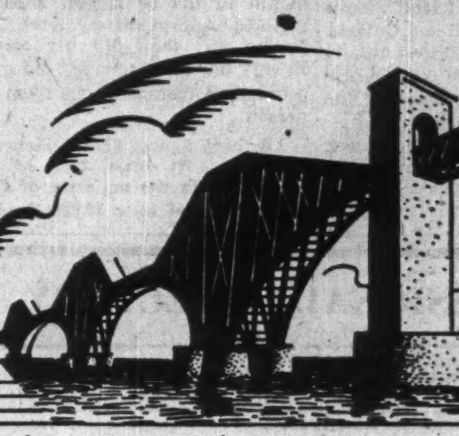
THE STANDARD LIFE ASSURANCE COMPANY

THE STANDARD LIFE EDINBURGH
A mutual office noted throughout the world for its soundness and strength.

HEAD OFFICE: 3 GEORGE STREET, EDINBURGH
Head Office for Canada: 391 ST. JAMES STREET, MONTREAL

Branch Offices are maintained in the following cities:—
TORONTO, LONDON, OTTAWA, and HAMILTON, Ont.; MONTREAL, P.Q.; FREDERICTON and SAINT JOHN, N.B.; HALIFAX, N.S.; and VANCOUVER, B.C.

UNSHAKEN BY THE WAR



THE FORTH BRIDGE EDINBURGH
A bridge noted throughout the world for the outstanding strength of its construction. The scene of the first bombing raid in Britain—it stands proud and unscarred.

THE STORY OF THE TELEPHONE

NEW LIFE for OLD CURRENT . . .

● Voice currents, travelling along telephone wires, get weaker and weaker the further they go . . . finally fade away entirely. This fact set a definite limit to the range of the long distance telephone until the invention of The Vacuum Tube Repeater — which steps up tired current and sends it on its way with new strength. The first telephone repeaters in Canada were installed at Kingston, Ont., in 1916. Today, over the coast-to-coast circuits of the Trans-Canada Telephone System, with the aid of repeater stations all across the continent, your voice can travel from Halifax to Vancouver in 1/30 of a second . . . and it will be just as strong at the end of the journey as it was at the beginning!

THE TRANS-CANADA TELEPHONE SYSTEM

TRANS-CANADA TELEPHONE SYSTEM

THE BELL TELEPHONE COMPANY OF CANADA

Housing and Shape of Things to Come

European Authority Shows His Blueprint of Canada's Needs

By DR. E. G. FALUDI

Dr. E. G. Faludi, eminent European housing authority, and author of the following article, is now resident in Toronto, where he has been making a study of Canadian materials and processes and their adaptation to Canadian housing needs. Passionately devoted to his subject, he stresses the need of a long-term programme for Canadian housing, blueprints of which, he argues, should be drawn up now, for war and postwar requirements.

Born in Hungary, Dr. Faludi received the degree of doctor of architecture in Rome. After working as a consultant architect in Europe and England, he was driven from Nazi-dominated Europe in 1939. He is now giving a series of lectures at the University of Toronto and is lecturing in Montreal and other Canadian cities.

These articles are published for their importance as a contribution to a vital subject, but the opinions expressed are not necessarily those of The Financial Post.

Since 1931 there has not been enough building to keep step with the normal increase of population. In the six years prior to the war, for example, in Toronto only one house for every 17 persons increase of population was built. This means that there was an under-supply of houses at the beginning of the war. Had it not been for the fact that, during the last few years of depression a number of families have been doubling up in private houses, the shortage would have been still more acute.

For the Dominion as a whole, the average number of rooms per person in 1931 was 1.27. In the provinces of Prince Edward Island, Nova Scotia, New Brunswick and Ontario, this average was exceeded but, in the remaining five, provincial figures were lower — because of the crowding in rural areas.

For the three Prairie provinces, the average accommodation was less than one room per person in rural communities. Space per person in Prince Edward Island, Nova Scotia and Ontario was greater in rural than in urban areas, but the reverse was true in all other provinces. The Dominion average for the rural population was 1.19 rooms, as compared with 1.34 urban dwellers.

The distribution of population in urban homes is less favorable. Considering only the persons living in less than one room, it was found that the percentage these formed of the total population was surprisingly high. The crowding in low rental homes is represented by the following figures:

In 1931 there were 51,778 households paying $15 rent or less per month in the 20 largest cities of Canada. Approximately 5,000 were paying less than $10 per month. In very few of these cities, did space provide an average of one room per person.

All these figures give evidence of crowding. **At least 25% of the population in the majority of Canadian cities of over 30,000 lived in less than one room per person, in some cities 40% or more.**

The cause of crowding appeared to be insufficient income. The clearest evidence of crowding was shown for tenants paying $15 or less per month and for multiple family household tenants.

The average earnings per household in 1931 varied from $1,934 to $1,379. The average earnings per person varied from $516 to $266.

75% Below Standard

The Toronto housing survey of 1934 revealed that of the 1,332 dwellings and 1,421 households examined, 75% of the dwellings fell below the minimum health standard, 16% were overcrowded, 58% were damp.

In the 1934 report of a housing survey of certain selected districts in Winnipeg, it is stated:

"Of the total of 1,800 houses examined in the four districts, 1,300 rooms were used for both cooking and sleeping."

In one of the highly congested parts of the city of Montreal, 83% of the homes were overcrowded.

The housing problem is serious in the larger cities of Canada for the same reason as in Europe—namely the rapid increase of population following industrial development.

The special Parliamentary Committee on Housing in its 1935 report states that there is in Canada a shortage of 35,000.

Of Montreal it has been stated that 4,000 new dwellings will be required yearly for the next 20 years.

Toronto is said to be in need of between 3,000 and 4,000—Ottawa 1,200 new low cost dwellings yearly.

Similar needs are existent in all the cities and towns of Canada. The seriousness of the housing problem has never been sufficiently realized in the small towns, villages and rural districts. This is largely because most people associate bad housing with slum areas of the large cities.

Evidence submitted to the Parliamentary Committee on Housing in 1935 was to the effect that the minimum cost at which a house of the minimum standard of sanitation could be provided ranged from $2,500 in Ottawa, $2,700 in Toronto, to $3,500 in Montreal, so that any family earning less than $100 a month in Ottawa or $140 in Montreal could not afford to live in a house of minimum standard.

The proportion of the family income available for rent may show divergencies from place to place and from family to family.

The following calculations show the preponderance of families that are unable to build or own their own homes—on the basis of the 1931 census.

Income	Amt. available for Shelter each month.	No. of families
Under $400	Less than $6.50	10%
$ 400- 799	13.30	12%
800-1,199	20.00	18%
1,200-1,599	25.00	22%
1,600-1,999	33.30	12%
2,000-2,399	40.00	7%
2,400-2,799	46.60	5%
2,800-3,199	53.30	7%
3,200-4,999	83.30	6%
Over 5,000	....	7%

From this it can be seen that 62% of our urban families have an income which should not permit them to pay more than $25 a month for shelter (20% of income is a recognized budget for rent). In fact, this group of families is compelled to pay from 30% to 50% of its income for shelter.

One Fifth Income for Rent

The opinion of the Dominion Committee on Housing in this matter was that a wage earner in the low income group could afford to spend at the most one-fifth of his income in rent.

Building new houses today is very difficult because of building restriction, scarcity of material and labor.

The diminished production in dwellings will increase tremendously the room-overcrowding, bed over-crowding, land and traffic over-crowding which affects accessibility to homes.

The overcrowding of industrial centres for war production at present is growing daily with incredible speed. The slum areas are increasing continuously. The consequences of this will affect the new generation.

This war has shown us that a country's strength and resistance depends exclusively on the physical and moral health of its people and the quality of its citizens depends largely upon the quality of their homes and their environment.

The mortality and sickness rates are much higher in the slums than in other districts. Evidence to this effect has been accumulating for many years. The sharpest relation is shown for infant mortality, tuberculosis and pneumonia and many other diseases.

Slums are costly to municipalities. They create operating expenses, which are greater than tax returns from the same localities.

The cost for hospitals, police protection and fire protection of the slum dwellers is much higher than the taxes they can pay.

The first step in solving this question is a radical one—the clearance of the slums—to stamp them out in a definite way.

But this is a negative way to the solution of the housing problem. It is also necessary to provide good housing for the people who are compelled to leave the slums. And this is the positive way of approaching a solution for housing.

It means the beginning of planning for a better way of living.

Planning is money saving. No country can afford today to dispense with this economy.

PROFESSIONAL DIRECTORY

CONSULTING ENGINEERS

THE GENERAL ENGINEERING COMPANY
(CANADA) LIMITED
ENGINEERING CONSTRUCTION
OPERATION OF INDUSTRIAL PLANTS
100 Adelaide St. West WA. 8605 Toronto

Shoemaker & Burnham
CONSULTING ENGINEERS
Specializing in Mill Design, Metallurgy, Power and Mining Plants.
Room 1201-1207
45 Richmond St. West,
Toronto, Ont.
Waverley 4466

DEPENDABILITY
Its ability to get the news and interpret it accurately is what leads wise investors in Canadian securities to rely each week on
THE FINANCIAL POST
$5 One Year — $2.50 Half Year

LEGAL

McLAUGHLIN, JOHNSTON,
MOORHEAD & MACAULAY
Barristers, Solicitors, Notaries
302 BAY ST., TORONTO
Telephone: ELgin 4217
L. Macaulay, K.C., M.P.P.
H. J. McLaughlin, K.C.
W. W. McLaughlin, K.C.
D. C. Wells R. F. May
H. W. Alles R. H. Soward
L. B. Webster J. M. Magwood

W. M. COUPER, K.C.
Advocate, Barrister, Etc.
486 St. John St., Montreal
Tel. Marquette 3005

Pitblado, Hoskin, Grundy, Bennest & Drummond-Hay
Pitblado, Hoskin, Turner, McEwen & Alsaker
Barristers, Solicitors, &c.
Winnipeg, Manitoba

CHARTERED ACCOUNTANTS

McDonald, Currie & Co.
Chartered Accountants,
Licensed Trustees & Receivers
MONTREAL TORONTO QUEBEC OTTAWA

RUTHERFORD WILLIAMSON & CO.
Chartered Accountants
Rutherford Williamson, F.C.A. Harold A. Shiach, F.C.A.
D. J. Sales, C.A. W. F. Gibson, C.A.
TORONTO — MONTREAL
Licensed Trustees and Receivers
Rutherford Williamson, F.C.A. F. R. McCutcheon, C.A.

Ronald, Griggs & Co.
Chartered Accountants
WINNIPEG
SASKATOON

FREE *Subscribers to The Post, by mail, are entitled to the privileges of the Investment Enquiry Service. Subscription price — $5 a year.*

CLARKSON, GORDON, DILWORTH & NASH
CHARTERED ACCOUNTANTS
15 Wellington Street West, Toronto
Toronto—Montreal—Hamilton—Winnipeg—Vancouver
E. R. C. CLARKSON & SONS
Licensed Trustees and Receivers
15 Wellington Street West, Toronto

CHARTRE, SAMSON & CO.
Chartered Accountants, Licensed Trustees and Receivers
Successors to
LaRue & Trudel and Samson, Knight & Co.
MONTREAL QUEBEC ROUYN

MILLAR, MACDONALD & CO.
Chartered Accountants
WINNIPEG, MANITOBA

ROBERTSON, ROBINSON, McCANNELL & DICK
Chartered Accountants
D. H. McCANNELL — Licensed Trustee in Bankruptcy
Sterling Tower, Toronto

WILTON C. EDDIS & SONS
Established 1895
CHARTERED ACCOUNTANTS
Federal Building, Toronto

THORNE, MULHOLLAND, HOWSON & McPHERSON
CHARTERED ACCOUNTANTS
E. J. HOWSON
R. S. McPHERSON
Licensed Trustees
FEDERAL BUILDING
TORONTO
GALT
KITCHENER

Caldwell Linen Offers Stock

Wood Gundy Sells First and Second Preference Shares

From Our Own Correspondent

MONTREAL.—A good reception has been given an offering of first and second preference stock of Caldwell Linen Mills Ltd., The Financial Post is informed.

Wood, Gundy & Co. is offering 15,000 shares of $1.50 no par first preference stock at $25 a share, plus accrued dividends, with a bonus of ¼ share of second preference.

In addition 25,000 shares of second preference stock, of no par value, and carrying a dividend of 80 cents, is being offered at $10 a share and accrued dividends.

Has Participating Features

It will participate share for share with the common stock on any dividends exceeding 80 cents a share annually.

No dividends may be paid on the common stock that would reduce net current assets below $300,000.

Pioneer Linen Maker

Caldwell Linen Mills Ltd., operates a linen manufacturing plant at Iroquois, Ont. A pioneer manufacturer of linen goods in Canada, it markets production through more than 1,000 retailers in the Dominion.

The offering prospectus states business volume has increased in every year since commencement in 1923, and the company has shown a profit in every year.

Fixed assets at Sept. 30, last, are shown in the balance sheet at $494,185, with depreciation reserve of $105,208. Net current assets totalled $247,093.

In the first nine months of the current year the company reported net profit of $80,449, after income and profits taxes. This compares with $74,960 for the full year 1940, and $143,116 in 1939.

Dividend requirements on first preference stock will be $22,500, and on the second preference, $20,000 annually.

Montreal Stock Sales Reverse Trend in Oct.

From Our Own Correspondent

MONTREAL.—Following a rise for three consecutive months volume of trading on the Montreal Stock Exchange and Montreal Curb Market experienced a sharp contraction during October.

Trading in industrial stocks accounted for 192,499 shares compared with 302,826 shares in September and 171,975 shares in October last year.

In the mining section the October volume totalled 185,466 shares, as against 555,250 shares in September and 228,151 shares in October, 1940.

C. I. L. Cuts Output Of Cellophane to 50%

In compliance with the order of the Controller of Supplies limiting the use of protective transparent film, Canadian Industries Ltd. announces that as from November 1, it will supply Cellophane for packaging of food, candy, drugs, tobacco and adhesive tape for the months of November and December on the basis of 50% of the normal average consumption.

Current Trends of Construction

Trends of construction activity in Canada last month and so far this year, analyzed according to chief categories of projects started, are shown in the following tabulation by The Financial Post from the monthly building statistics of MacLean Building Reports:

Construction Contracts Awarded First 10 Months

	1941	1940	— Change —	
	Millions of $			%
Residential	81.9	55.7	+26.2	+27
Business	90.1	91.5	—1.4	—1
Industrial	77.2	78.8	—1.6	—2
Engineering	102.3	48.0	+54.3	+113
Total	351.9	274.1	+77.8	+28

October Totals

	1941	1940	Change	%
Residential	8.2	6.3	+1.9	+30
Business	10.9	11.4	—0.5	—4
Industrial	5.4	7.3	—1.9	—26
Engineering	4.4	1.3	+3.1	+238
Total	29.0	26.3	+2.7	+10

Details of October Awards

	1941 $	1940 $
	—October—	
Apartments	260,000	1,259,500
Residences	7,938,900	5,039,900
Total residences	8,198,900	6,299,400
Churches	230,200	285,900
Pub. garages	203,300	279,100
Hospitals	386,100	1,153,400
Hotels, clubs	304,000	202,500
Office bldgs.	256,400	143,100
Public bldgs.	7,689,700	7,868,200
Schools	316,400	195,000
Stores	781,200	501,300
Theatres	153,000	56,100
Warehouses	649,400	689,500
Total business	10,969,700	11,374,100
Total industrial	5,443,700	7,313,300
Bridges	448,400	128,000
Dams, wharves	348,400	25,100
Sewers, watermains	756,300	435,100
Roads, streets	2,667,400	681,100
Genrl. engineering	250,000	104,500
Total engineering	4,470,500	1,373,800
GRAND TOTAL	29,082,800	26,360,600

Provincial totals for the month were as follows:

Ontario	$9,968,300
Quebec	8,744,700
Nova Scotia	3,789,200
Alberta	1,824,400
Saskatchewan	1,742,700
British Columbia	1,380,400
Manitoba	1,078,800
New Brunswick	525,500
Prince Edward Island	28,800

Contemplated new construction, reported for the first time in October, amounted to $29,914,500, compared with $29,771,400 for October, 1940.

Large Awards in October

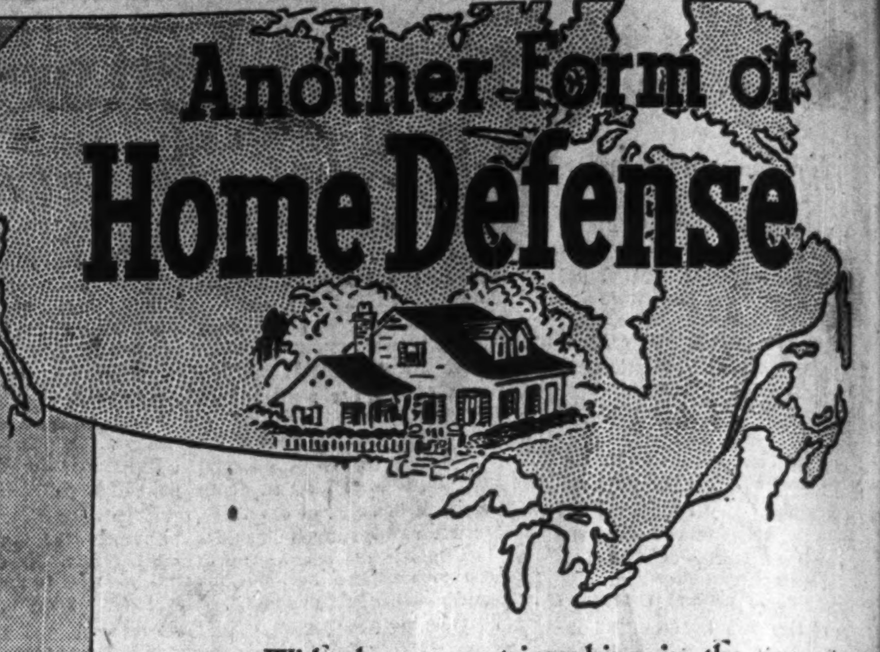
Construction contracts awarded in Canada during October where the value of the work undertaken exceeded $100,000 were as follows:

War Time Housing	$1,250,000
Greenwood, N.S., Flying School	1,119,000
Yarmouth, N.S., Flying School	1,100,000
Bagotville, Que., Air Train. Scl.	1,000,000
Quebec, Que., Cartridge Plant	1,000,000
Kirkcaldy, Alta., Flying School	950,000
Halifax, N.S., Barracks	500,000
Montreal, Que., Flour Mill	500,000
Malton, Ont., Plant additions	500,000
Davidson, Sask., Airport	500,000
Bagotville, Que., Four Hangars	400,000
Saskatoon, Sask., Flying School	400,000
Dubuisson Twp., Que., Bridge	317,200
Moose Jaw, Sask., Airport Plant	300,000
Montreal, Que., Alterations	200,000
Vancouver, B.C., Plant	190,000
Debert, N.S., Flying School	190,000
Oshawa, Ont., Plant Addition	170,000
Grande Prairie, Alta, Airport Bldgs.	166,000
Long Branch, Ont., Factory	165,000
Toronto, Ont., Factory addition	160,000
Chatham, Ont., Plant Addition	150,000
Halifax, N.S., Barracks	150,000
St. John, N.B., Factory	130,000
Powell River, B.C., Hospital	125,000
Hamilton, Ont., Plant	120,000
Sorel, Que., Theatre	100,000
Victoria, B.C., Nurses' Home	100,000

CANADA DRY EXTRA

Canada Dry Ginger Ale has declared an extra dividend on its common stock of 40 cents a share, U. S. funds, to be paid along with its regular quarterly dividend of 15 cents a share on Dec. 9, 1941, to shareholders of record Nov. 24.

Another Form of
Home Defense



With democracy triumphing in the present gigantic struggle, the homes of our country will be kept safe from *outside destructive forces.*

It may have been this threat which is making people take steps to protect their homes *from within.*

For this purpose, Canadians are purchasing an average of two million dollars of life insurance a week from the London Life.

Where it is necessary to create an estate for the protection of dependents, and the family budget has been greatly reduced by war obligations, life insurance provides the only solution for most people.

If you want to know why Canadians are turning to this Company in such large numbers, ask one of our representatives to show you how present day conditions are met by the London Life plans of insurance.

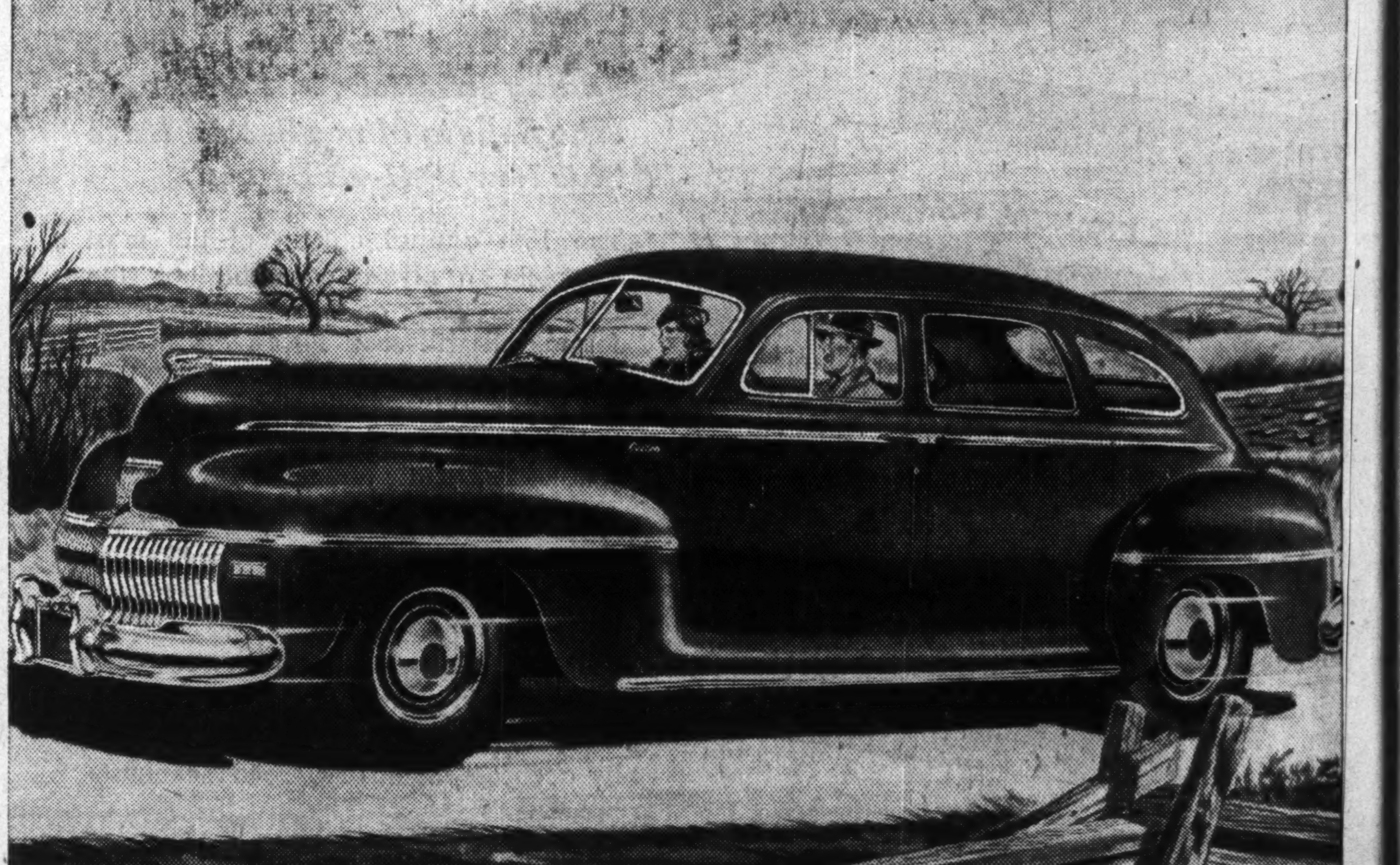
London Life
ESTABLISHED 1874
Insurance Company
Head Office - London, Canada

Western Steel Products Pays Initial 50c

Western Steel Products Corp. has declared an initial dividend of 50 cents a share on its common shares. Payment will be made Dec. 1, 1941, to shareholders of record Nov. 15.

The present stock was issued in the 1937 reorganization. Since then the company has built up an improved financial and earnings position. For 1940 it reported $2.31 a share on its common and for the first half of 1941 $1.08 a share.

Styled and Engineered to Lead
this year and for years to come



New "AIRFOIL" Headlamps

Steel shutters protect the Sealed Beam headlamps from dirt and flying stones and conceal them in daytime. The driver operates a simple lever which opens or closes shutter ... turns lights on and off.

GET out in front of the style parade in this New 1942 De Soto. It is a car that was planned to be well ahead of the times... Tomorrow's vigorous beauty *today*... Lasting, brilliant performance and all-around economy for years to come... Eye-catching beauty outside matched by harmonious colours and restful comfort within... This great new De Soto is the most powerful ever built. Let your search for the *best* lead you to your nearest Dodge-De Soto dealer.

De Soto

WITH *Fluid Drive* & SIMPLIMATIC TRANSMISSION

Better BECAUSE OF CHRYSLER CORPORATION ENGINEERING!